



## **Korn Ferry Survey Of CMOs: More Than Half Of Marketers Say They Can't Make Direct Correlation Between Marketing Efforts And The Bottom Line**

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*Better Organizational Alignment — Not More Budget — Top Reason Marketers Say They Would be More Effective*

LOS ANGELES--(BUSINESS WIRE)--Apr. 12, 2018-- A [new Pulse Survey](#) of Chief Marketing Officers (CMOs) by Korn Ferry (NYSE: KFY) finds the majority (52 percent) say they cannot make a direct and obvious correlation between marketing efforts and company performance. This despite the fact that the survey found financial performance is rated as the most important factor in determining CMO performance-based compensation.

"Today's marketers have more data and analytics than ever before, so it would seem they should be able to tie their efforts directly to the profitability of the organization," said Caren Fleit, managing director, Korn Ferry Global Marketing Officers Practice. "Unfortunately, many measure the effectiveness of initiatives only in terms of marketing metrics and miss the opportunity to connect it to overall business performance as measured in terms of sales and profit, among other factors."

When asked what the greatest need is to advance the marketing function, the largest percentage said analytics (39 percent), and when asked what would be most important to progressing the function in the future, the vast majority (84 percent) cited finding the right talent to help with digital transformation, including data science, digital technology, content creation and social community management.

"With intense competition for qualified digital talent, the CMO and CHRO need to work together to identify what digital skills are needed for now and the future; best define roles and structure; facilitate the right culture; and create an employer brand that will help attract and retain these highly valuable and sought-after employees," said Fleit.

According to the survey, marketers are looking beyond their function to increase their effectiveness. Nearly half (43 percent) said better organizational alignment would make them more effective. Only 17 percent said an increased budget and 4 percent said more authority would top the list of making them better at their jobs.

"Increasingly, CMOs and their teams are being tasked with leading transformation and growth efforts, which won't be successful if they aren't able to align strategy and direction with the rest of the C-Suite to harness the full power of the entire organization," said Fleit.

### ***The CEO/CMO Relationship***

There is still work to be done in helping make the CMO's role understood. More than one-quarter (29 percent) of respondents say the CEO doesn't understand the CMO role. Top reasons why include: CEO doesn't understand complexity of brand building; CEO doesn't understand the importance of a customer-centric approach; and the CEO doesn't understand the correlation between marketing and revenue generation.

"CEOs need to position marketing as a key business driver rather than a cost center and ensure they have a CMO that can embody that role," said Fleit. "If they are tasking the CMO with helping the organization to become more customer centric or with another major change or growth agenda, they need to ensure that the rest of the organization is on board with the agenda and clearly understands the CMO's pivotal leadership role."

### ***Organizational Purpose Not Aligned***

Finally, the survey found a critical need for taking organizational purpose to the next level. The vast majority of respondents (85 percent) agreed their company has a clear and well-articulated purpose, yet only just over two-thirds (69 percent) said the purpose was authentic and aligned with the way the company is really working. In addition, 49 percent said the purpose was not understood or embraced by employees.

### **About the Survey**

The global survey of 220 CMOs and marketing leaders took place in late 2017.

### **About Korn Ferry**

Korn Ferry is a global organizational consulting firm. We help companies design their organization – the structure, the roles and responsibilities, as well as how they compensate, develop and motivate their people. As importantly, we help organizations select and hire the talent they need to execute their strategy. Our approximately 7,000 colleagues serve clients in more than 50 countries.

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