

Why CMOs are moving on when they should be stepping up

by Allyson Stewart-Allen

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As marketing leaders stay in their roles for shorter and shorter periods, turnover of CMOs is becoming an issue – but a shift in mindset could reverse that trend

Chief Marketing Officers (CMOs) are moving on – and quickly. They may not yet be at the same level as **Serie A bosses in Italy, who get the sack, on average, after just 35 matches** but CMOs are looking more and more like the football managers of the C-suite, with the typical CMO, according to **research** from search consultant Spencer Stuart, now lasting only 40 months in the role – the lowest figure in at least a decade.

The situation on the ground could be even more concerning. As the research points out, the data on mean CMO tenure is skewed by a small number of long-serving executives. Median tenure for CMOs has now fallen to just 25 months. In other words, newly appointed CMOs may have as little as two years to make an impact. (CEOs, by the way, get much longer to prove themselves; Spencer Stuart puts their average tenure at an all-time high of 85 months).

To those in the Marketing function, this may seem unfair. Complaining will not solve the problem, however. The question that CMOs – existing or aspiring – must answer is, what lies behind this divergence?

The gap between expectations and delivery

Two different explanations are worth considering. One is that, while many businesses expect more than ever of their CMOs, new appointees aren't always delivering. The other is that CMOs want to deliver more in their roles but feel they aren't given the opportunity to do so. Both may be true to an extent, depending on how the CEO and board view the role of the Marketing function in the modern business.

Certainly, many CEOs want their CMOs to play a much more strategic role. One recent **study** from consultant Boathouse found that 86% of CEOs believe their CMOs have the power to influence key C-suite decisions, while nearly 60% believe that CMOs understand shareholder goals.

So far, so good. But the study also suggests CEOs don't think CMOs are currently fulfilling that mandate. Just one-third expressed great confidence in their CMOs, while 80% said rising CMO turnover was a sign their colleagues were failing.

As for CMOs' failing to fulfil their remits, here too there is evidence of a misalignment of expectations. CEOs may say they want more from CMOs and the Marketing function, but research suggests the CEO doesn't necessarily empower their marketing colleagues to deliver. In one recent [study](#) of UK CMOs, 96% said the principal role of Marketing in their organization was still traditional brand management. Less than half felt they had responsibility for and oversight of more strategic goals, such as market entry and selection, new product development, and distribution.



Redefining the CMO role

The first step to addressing these asymmetries lies in reaching a consensus on what the CMO job description should look like. Most executives agree that the modern CMO role should be principally a strategic position. Marketing is no longer simply a support function for Sales, but must work with senior leaders in the business to ensure the value proposition is right for today's marketplace – and for tomorrow's.

This wider remit reflects the unique position of Marketing at the center of the business's data-science initiatives. CMOs may remain acutely conscious of the four Ps that once defined their role – product, price, place, and promotion. However, these are no longer amorphous concepts but rather issues that can be measured and addressed directly, in real time, due to the volumes of data now available to executives. Using that data, businesses can chart their strategic direction precisely. Marketing is an essential part of this in terms of making sure the business's path follows closely those of the markets it is targeting.

In organizations where Marketing is still regarded as simply the function to turn to when a set of posters needs printing or social-media messaging needs pushing out, this potential is being wasted.

There may be a small number of businesses that operate in a static marketplace or do not feel they rely on customer insight for growth, which decide they do not need a strategic CMO. However, businesses such as this will be in a shrinking minority, as offerings tailored to the customer become essential to survival.



By providing the data and insight to underpin experimentation, innovation, and a virtuous circle of continuous improvement, strategic CMOs can be the driving force behind a refreshed company culture that identifies and fearlessly explores new opportunities for growth.

Empowering to deliver

Once the CMO job description is fixed, the incumbents must be given the necessary power within the business to deliver on that mandate.

As a strategic leader within the business, the CMO should occupy a prominent seat at the board table – a privilege marketing leaders have rarely been afforded to date. One recent [study](#) of Fortune 1000 companies found fewer than 3% of them had appointed marketing leaders to their boards. It is little wonder, then, that many CMOs are still stuck monitoring net promoter scores, rather than watching the innovation pipeline or identifying new markets.

Better-aligned performance metrics will be important. CEOs should not be surprised if CMOs held accountable only through metrics such as the results of a marketing campaign or the outcome of a website design have little to contribute to strategic discussion. The strategic CMO, in contrast, will expect to be judged on relevant enterprise-wide goals such as revenue performance and top-line growth, and will formulate strategy ideas accordingly.

It is not, of course, all on the CEO. CMOs invited to join the board must bring plenty to the table – above all, an ability to look “up and out.” While marketing leaders may crave more strategic roles, it is easy to be sucked back into the tactical day-to-day role of micro-managing the Marketing function, rather than operating as a growth leader. CMOs must strive to justify their elevation in the business.

Equally, CMOs will require broader skillsets than in the past. [Research](#) published by the *Harvard Business Review* found that only 6% of CMOs held Marketing degrees; the rest had learned exclusively on the job, meaning their skills were rooted in their professional experience to date. Building on that experience, particularly in areas such as data, analytics, and digital transformation, will enable CMOs to deliver what their CEOs are now asking of them.

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More impact, more quickly

CMOs will need to accept that, even when their roles are clearly defined and they are empowered to execute them, they may be under significant time pressure to prove their worth. They must hit the ground running in order to avoid becoming another short-tenure statistic.

One opportunity to make an early impact could be found in looking beyond the business's products and services sub-brands to the brand itself. Far too few CMOs work closely with senior colleagues, such as chief strategy officers and heads of corporate affairs, to define what the business stands for and how it can live and breathe those values in practice. Yet, corporate brand management is increasingly crucial to commercial success. According to [research](#) conducted by Google, three-quarters of consumers have stopped buying a brand because they feel uncomfortable with the values of the parent organization.

For CMOs, such statistics provide potential for rapid progress on multiple fronts. If they can be instrumental in improving perceptions of the corporate brand, there will be positive results across all its sub-brands.

This is just one example of how CMOs might aim to deliver impact quickly, but it underlines the importance of looking up and out – taking a high-level view of where the business is at and then building new types of relationship across the organization to address any required changes of direction. The CMO must take the lead on developing an organization-wide understanding of the perception of the business in its chosen markets, and of responding decisively to how those markets are changing at pace.

Strategic thinking can boost CMOs as well as the business

These are the qualities to which the modern CMO should aspire. Not only could nurturing such capabilities ensure their roles are not so short-lived, they could also underpin further career progression within the organization. After all, the ability to build and execute a strategy for growth is required at every level of seniority.

Today, only a tiny number of CMOs go on to become CEOs – either via promotion or moving elsewhere. Yet why shouldn't a strategic CMO have just as strong a claim to the top job as the CFO or COO who typically gets the nod? Rather than looking over their shoulders, CMOs should be looking – up and out – to the horizon.

Authors »

Allyson Stewart-Allen

CEO, International Marketing Partners

Allyson Stewart-Allen is a London-based international expansion advisor who has helped more than 250 companies across 26 countries.