



# The **CMO** Survey

Predicting the future of markets, tracking marketing excellence,  
and improving the value of marketing since 2008

# Highlights and Insights Report

February 2017

**Deloitte.**



AMERICAN MARKETING  
ASSOCIATION

[cmosurvey.org](http://cmosurvey.org)

## Mission

- To collect and disseminate the opinions of top marketers in order to predict the future of markets, track marketing excellence, and improve the value of marketing in firms and society.
- The survey is an objective source of information about marketing and a non-commercial service dedicated to the field of marketing.

## Survey Operation

- Founded in August 2008, The CMO Survey is administered twice a year via an Internet survey. Many questions repeat to observe trends over time.
- The February 2017 survey is the 18th administration of The CMO Survey.

## Sponsoring Organizations

- Individual survey data and participant lists are held in confidence and not provided to survey sponsors.



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## Survey Sample

- 2813 top U.S. marketers at for-profit companies
- 388 responded for a 13.8% response rate

## Survey Administration

- Email contact with four follow-up reminders
- Survey in field from January 16, 2017 - February 3, 2017
- 94.9% of respondents VP-level or above

## Results Interpretation

- M = sample mean; SD = sample standard deviation
- B2B = Business-to-Business firms; B2C = Business-to-Consumer firms

## Reports

- **The Topline Report:** All results reported at the aggregate level
- **Results by Firm and Industry Characteristics:** All results reported within sectors, size, and Internet sales

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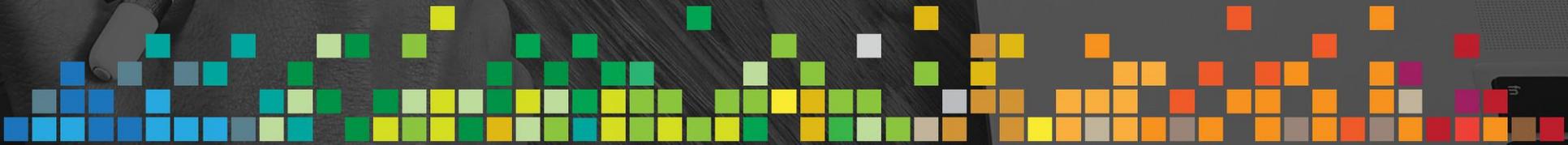


Topic 1

# Marketplace Dynamics

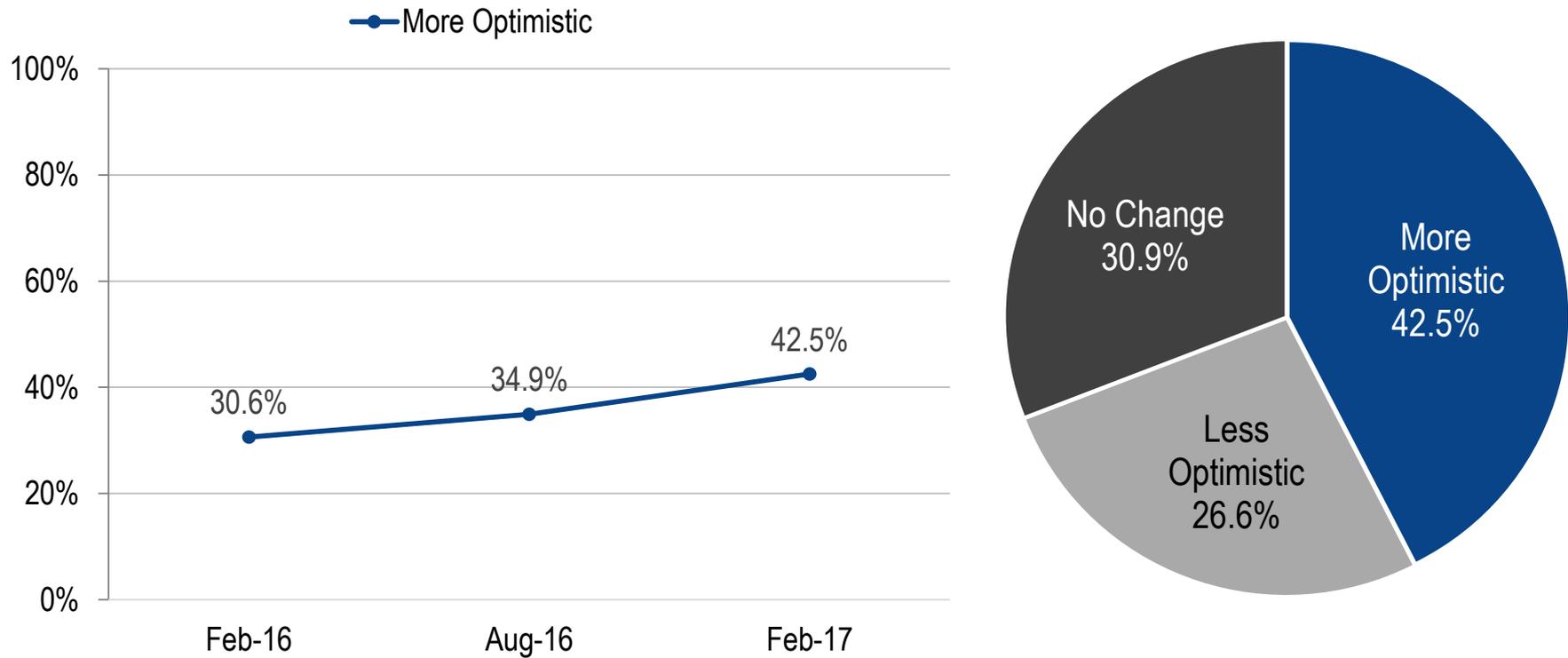
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# Marketer economic optimism increases

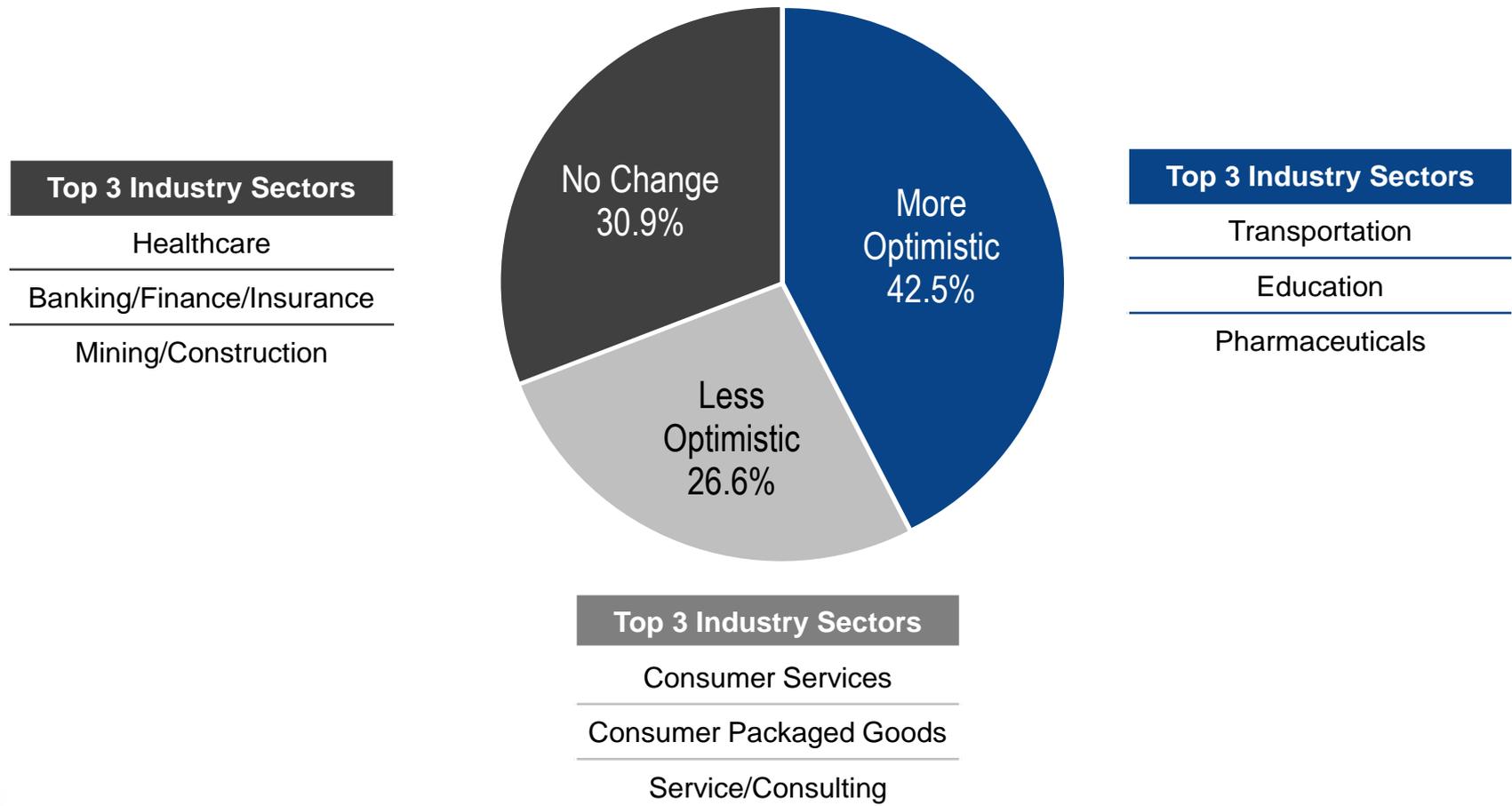
**Figure 1.1. Are you more or less optimistic about the overall U.S. economy compared to last quarter?\***



# Marketer economic outlook varies by industry

- Marketplace
- Growth
- Spending
- Performance
- Social Media
- Mobile
- Jobs
- Organization
- Leadership
- Analytics

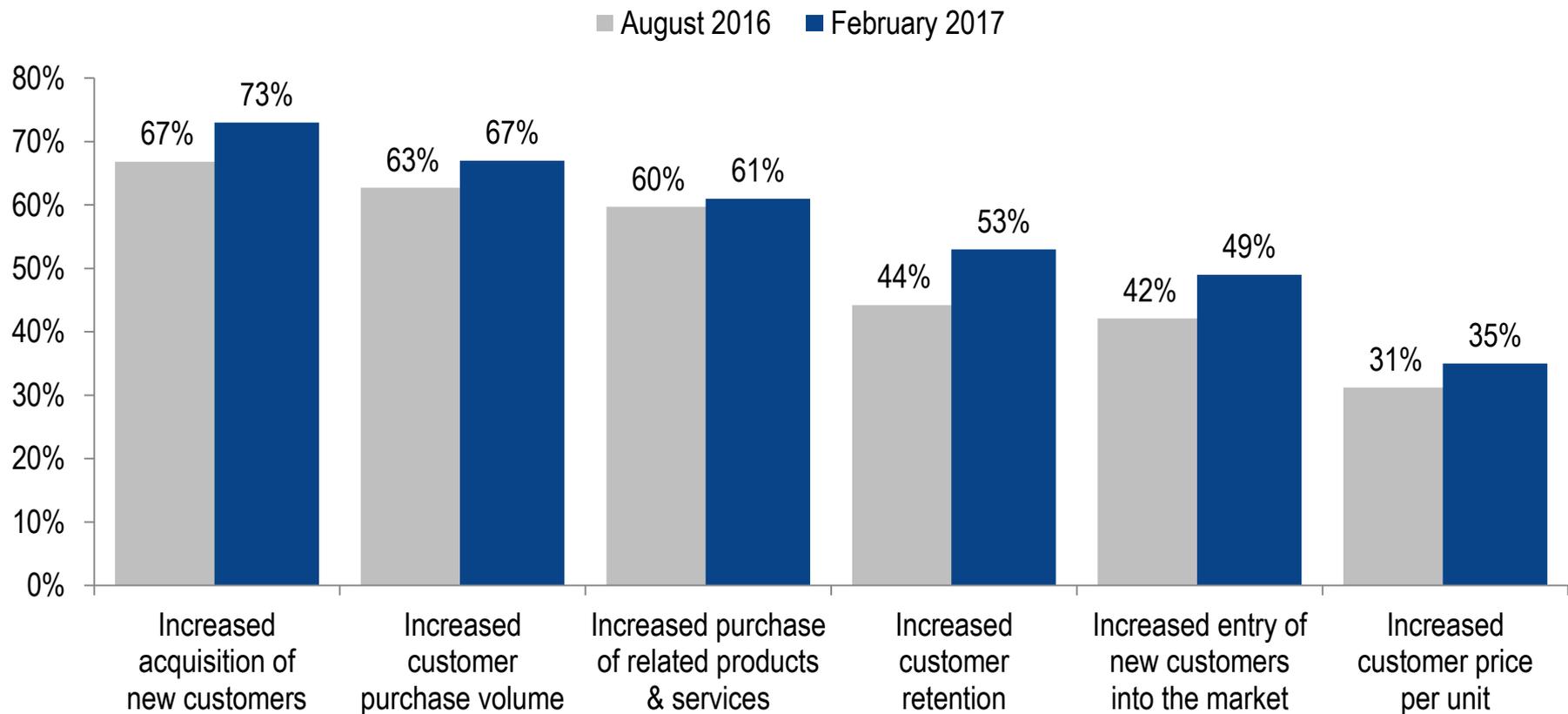
**Figure 1.2. Are you more or less optimistic about the overall U.S. economy compared to last quarter?\***



# All customer indicators positive: Customer acquisition and sales volume lead forecasts

Marketplace	Growth	Spending	Performance	Social Media	Mobile	Jobs	Organization	Leadership	Analytics
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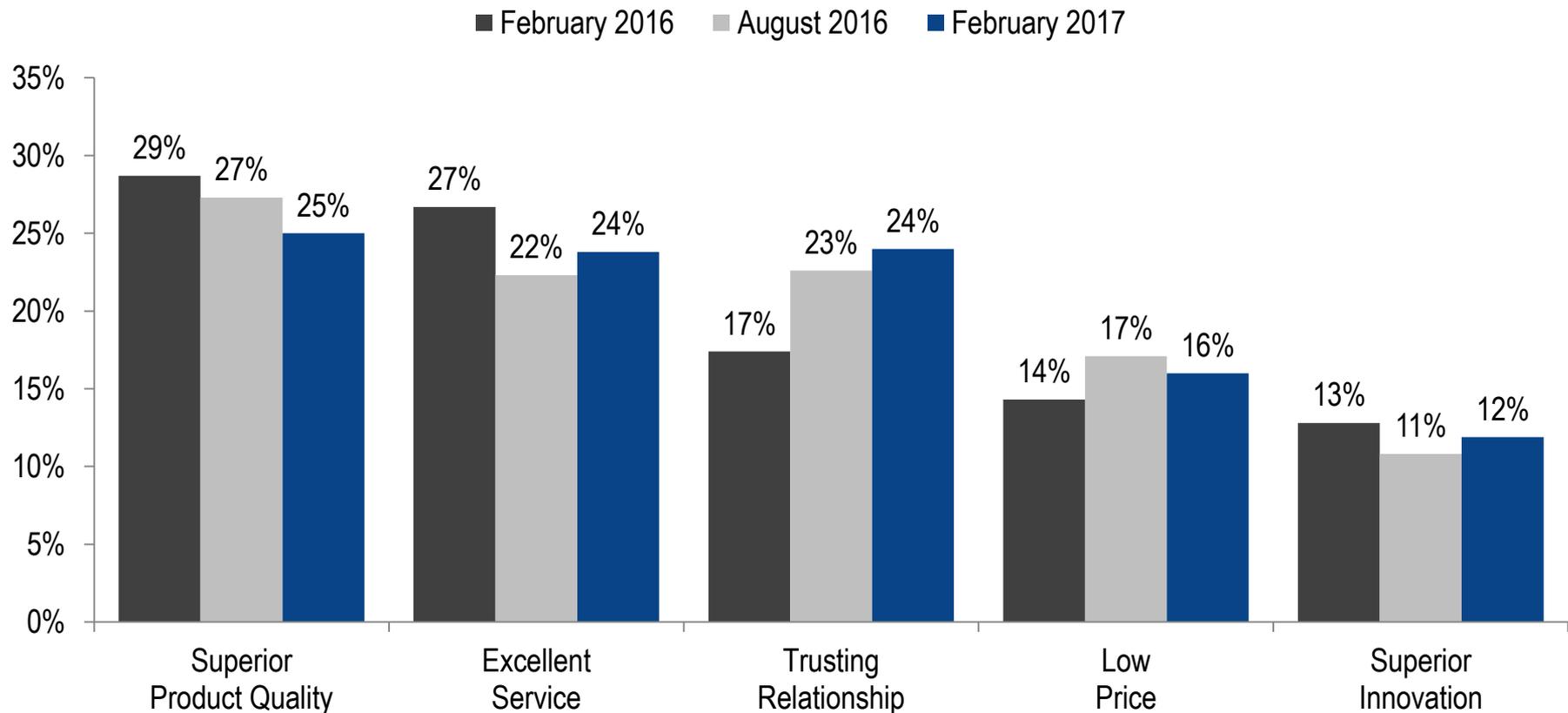
**Figure 1.3. Forecasted customer outcomes in next 12 months (% of respondents)**



# Quality, service, and trusting relationships remain top customer priorities; trust largest yearly gain

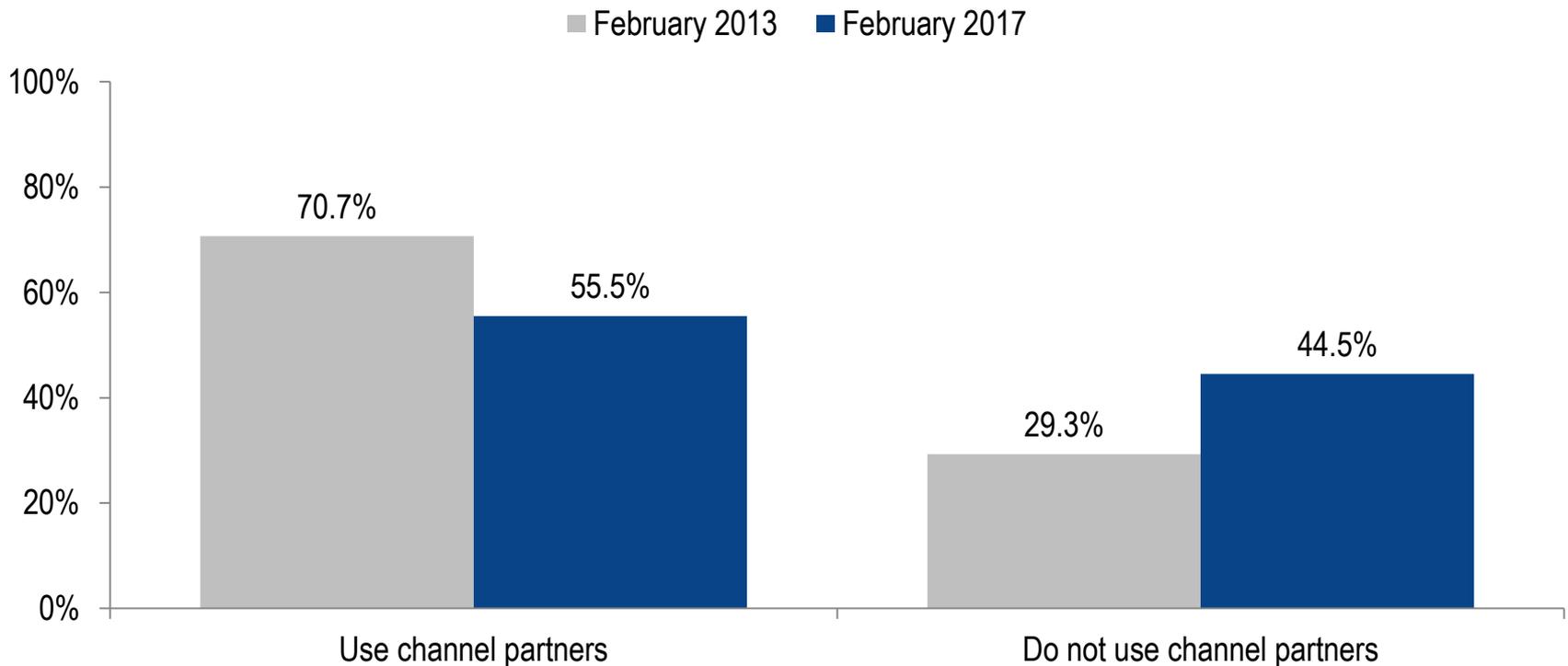
Marketplace	Growth	Spending	Performance	Social Media	Mobile	Jobs	Organization	Leadership	Analytics
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**Figure 1.4. Customers' top priority in next 12 months (% of respondents)**



# Fewer companies using channel partners to go to market

**Figure 1.5. Percent of Companies Using Channel Partners to Reach Market (% of respondents)\***

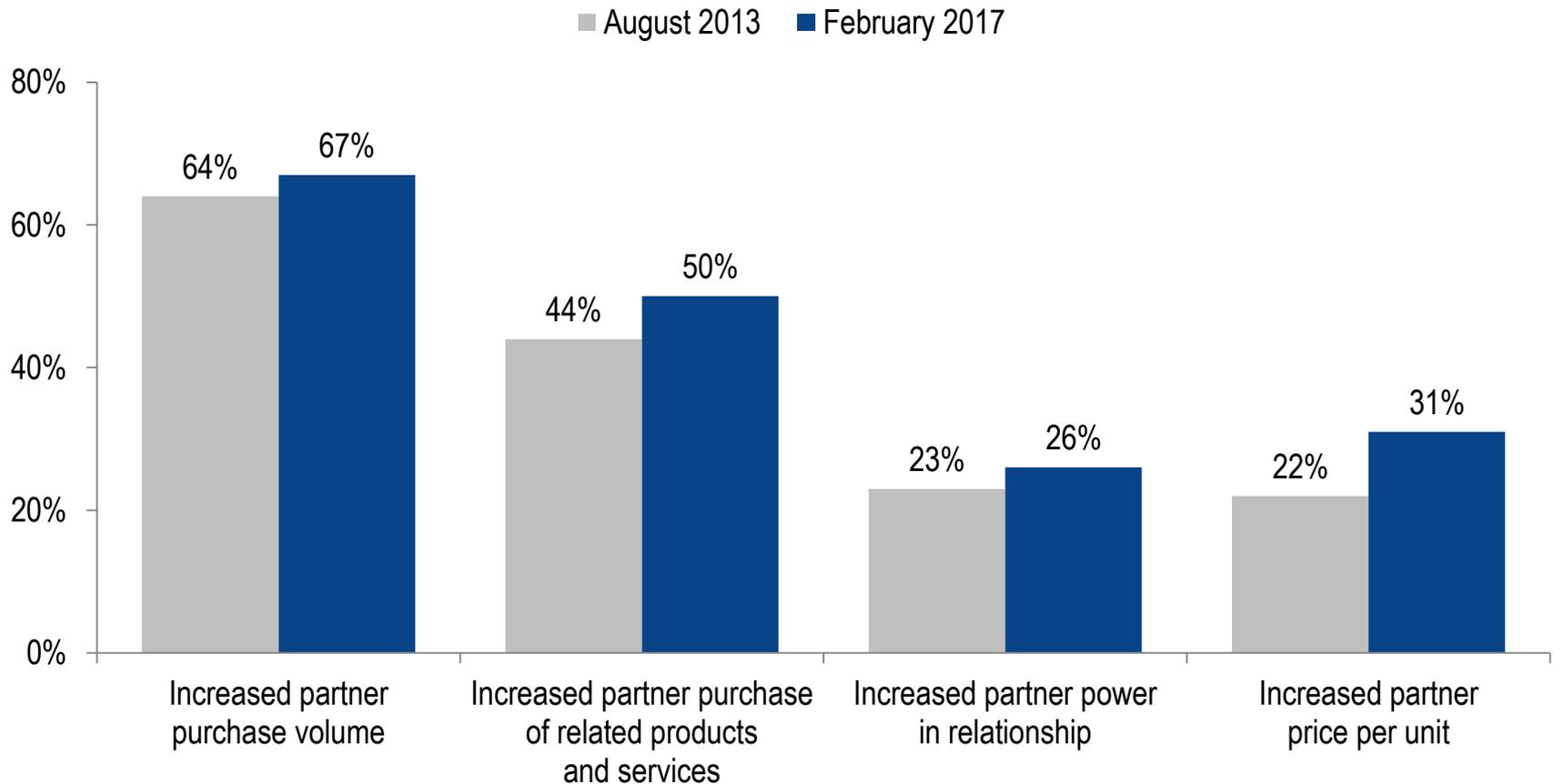


\* Question asked irregularly. Full time series available shown.

# All channel partner indicators forecasted to improve

Marketplace	Growth	Spending	Performance	Social Media	Mobile	Jobs	Organization	Leadership	Analytics
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**Figure 1.6. Forecasted channel partner outcomes in next 12 months (% of respondents)\***



\* Question asked irregularly. Full time series available shown.

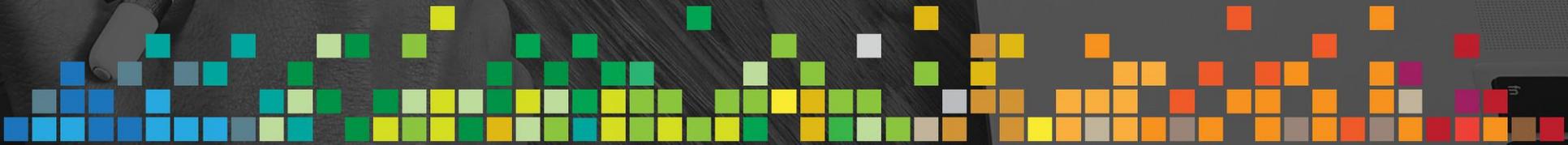


Topic 2

# Firm Growth Strategies

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# Investments in existing markets and offerings dominate growth spending

Marketplace	<b>Growth</b>	Spending	Performance	Social Media	Mobile	Jobs	Organization	Leadership	Analytics
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## Types of growth strategies

	<b>Existing Products/ Services</b>	<b>New Products/ Services</b>
<b>Existing Markets</b>	Market Penetration Strategy	Product/Service Development Strategy
<b>New Markets</b>	Market Development Strategy	Diversification Strategy

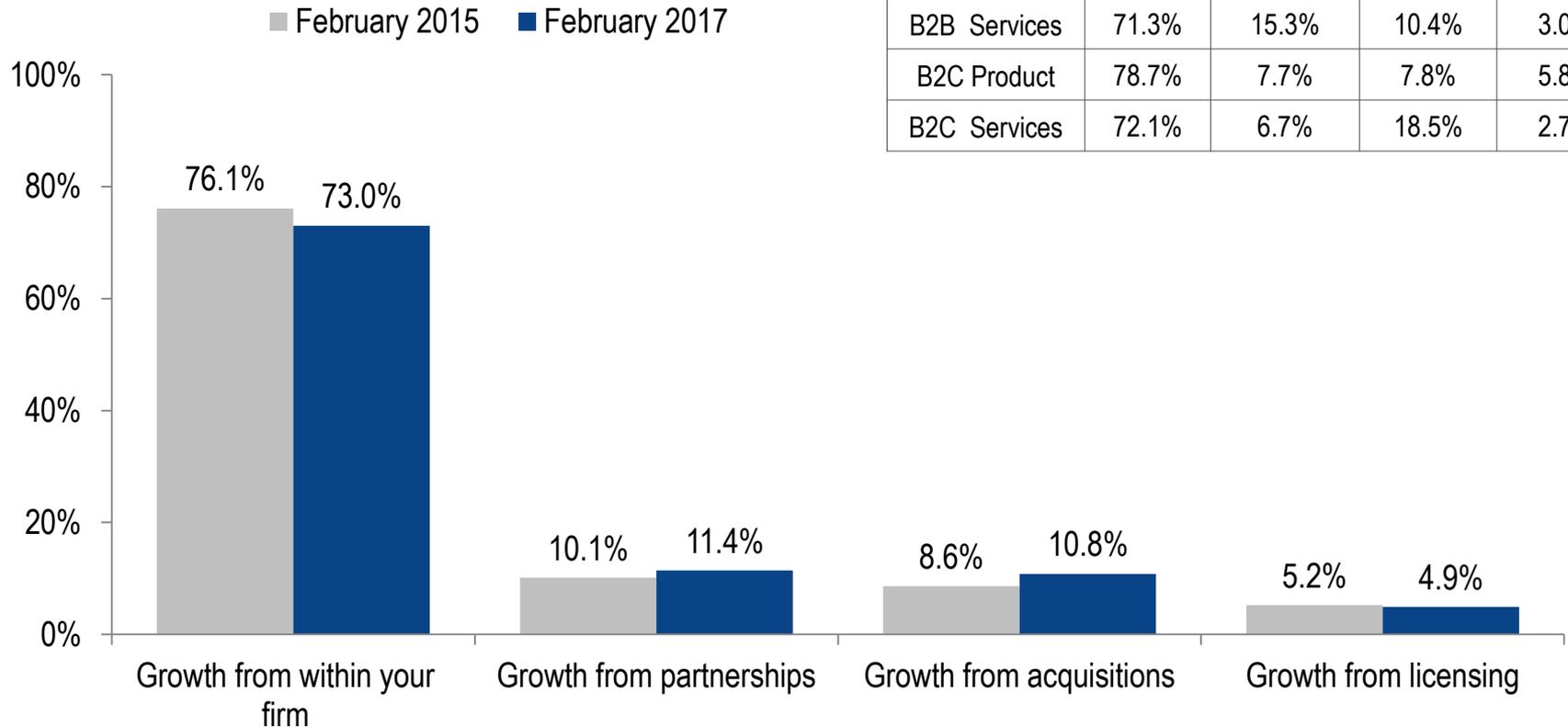
**Table 2.1. Spending on Growth Strategies in Past 12 Months\***

<b>Growth Strategy</b>	<b>Aug-16</b>	<b>Feb-2017</b>
Market Penetration Strategy	52.1%	51.1%
Product/Service Development Strategy	23.6%	24.2%
Market Development Strategy	15.4%	15.0%
Diversification Strategy	8.9%	9.7%

\* % of spending for each growth strategy

# Internal activities drive overall firm growth investments

**Figure 2.2. How firms will grow in the next 12 months\***



	Internal	Partnerships	Acquisitions	Licensing
Overall	73.0%	11.4%	10.8%	4.9%
B2B Product	72.0%	11.4%	9.6%	7.0%
B2B Services	71.3%	15.3%	10.4%	3.0%
B2C Product	78.7%	7.7%	7.8%	5.8%
B2C Services	72.1%	6.7%	18.5%	2.7%

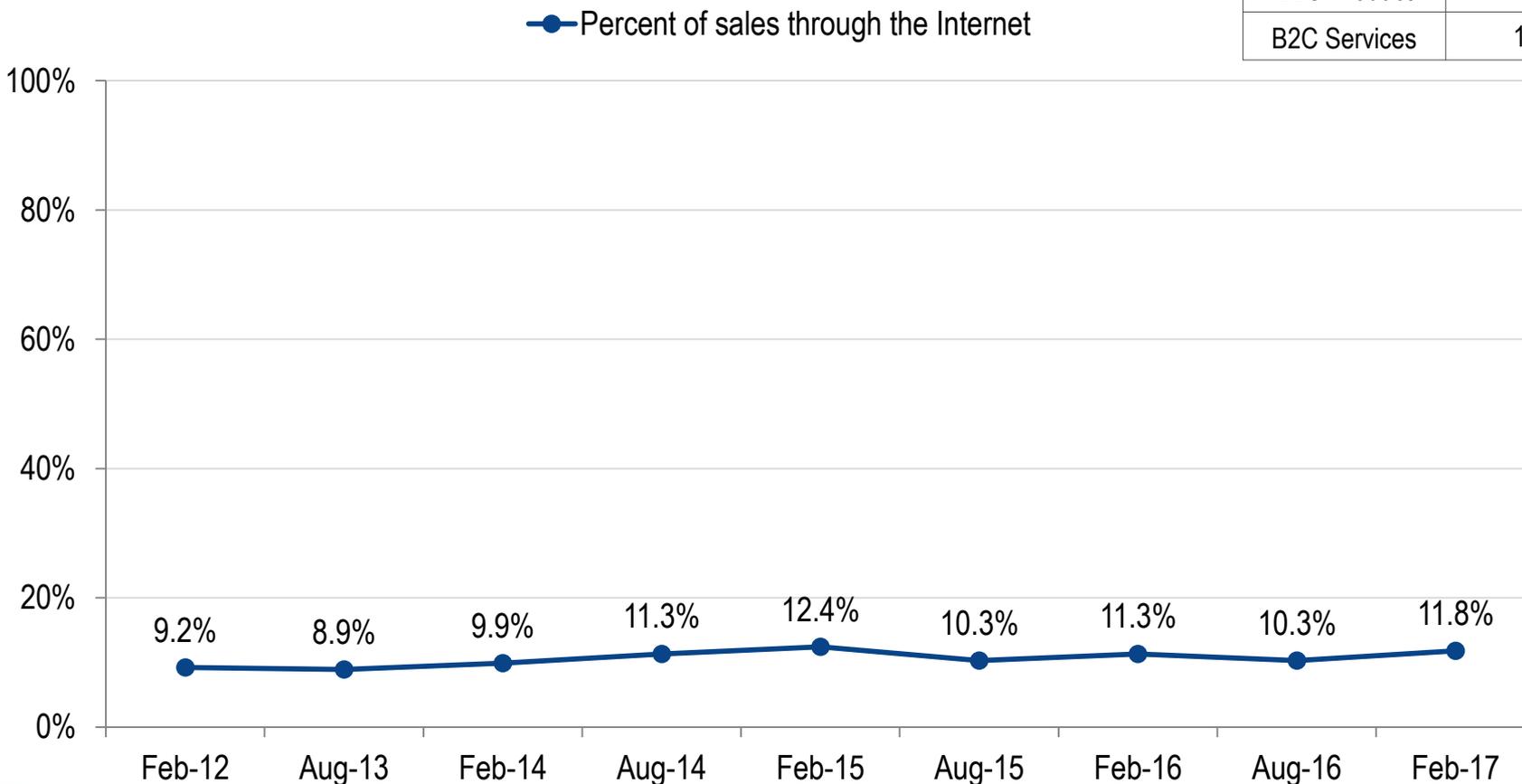
\* Percentage of growth spending in each category. Question asked irregularly. Full time series available shown.

# Company sales through Internet remain modest at 11.8%

Marketplace Growth Spending Performance Social Media Mobile Jobs Organization Leadership Analytics

**Figure 2.1. Percent of company sales through the Internet**

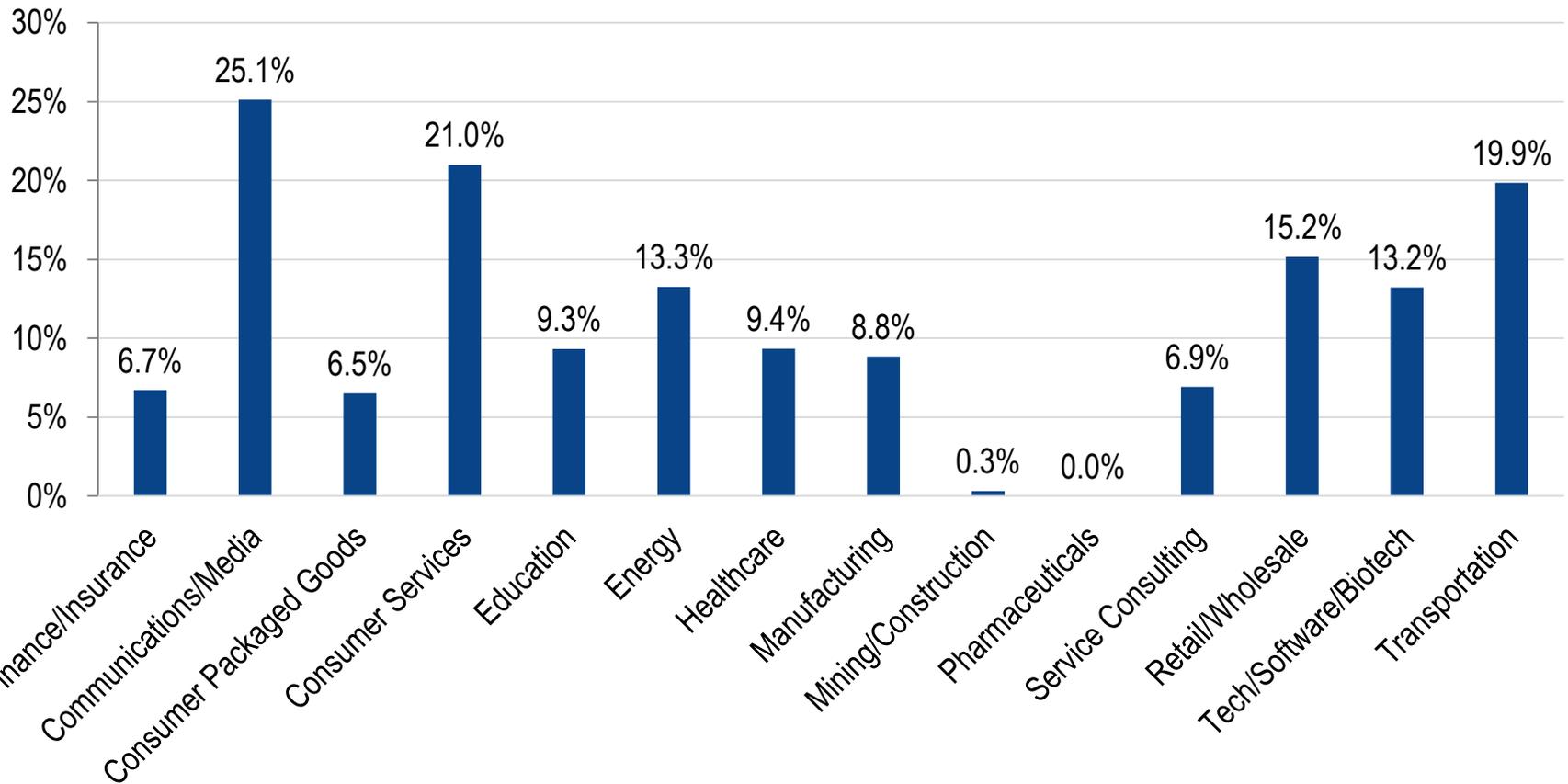
Overall	11.8%
B2B Product	8.7%
B2B Services	13.7%
B2C Product	14.2%
B2C Services	12.5%



# Internet sales are a quarter or less of total sales across all industries

Marketplace	Growth	Spending	Performance	Social Media	Mobile	Jobs	Organization	Leadership	Analytics
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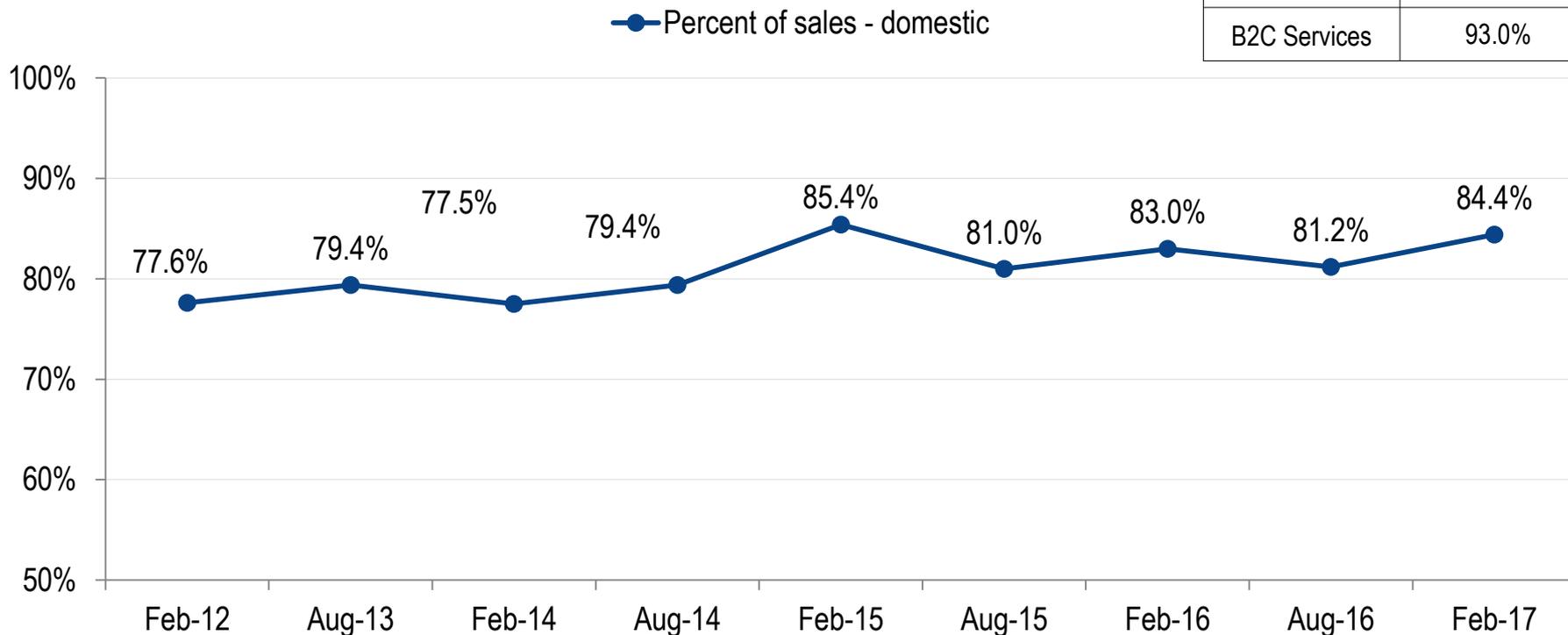
**Figure 2.1. Percent of company sales from Internet**



# Company sales from domestic markets continue to dominate

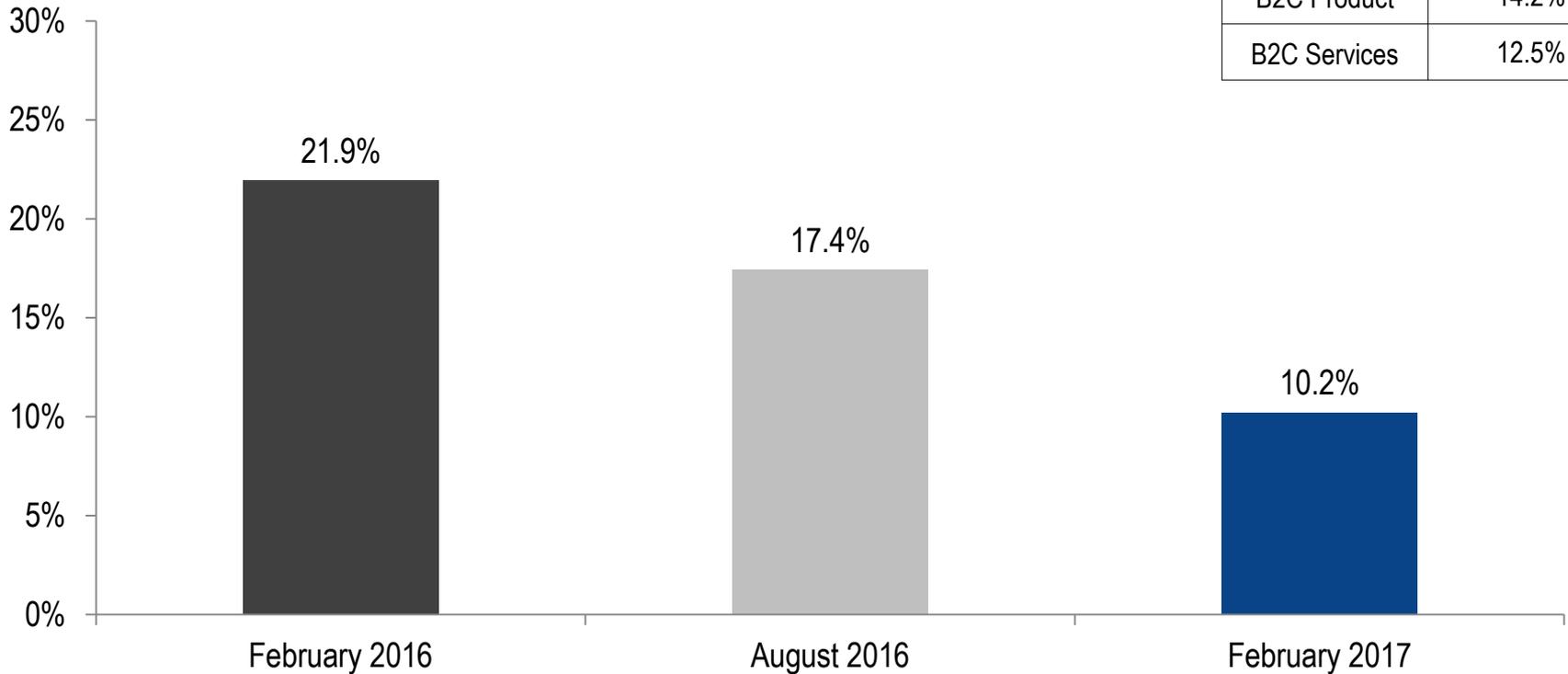
**Figure 2.2. Percent of company sales from domestic markets**

Overall	84.4%
B2B Product	80.9%
B2B Services	86.2%
B2C Product	81.1%
B2C Services	93.0%



# Marketing budget spent on international markets drops further

**Figure 2.3. Percent of marketing budget spent on international markets**

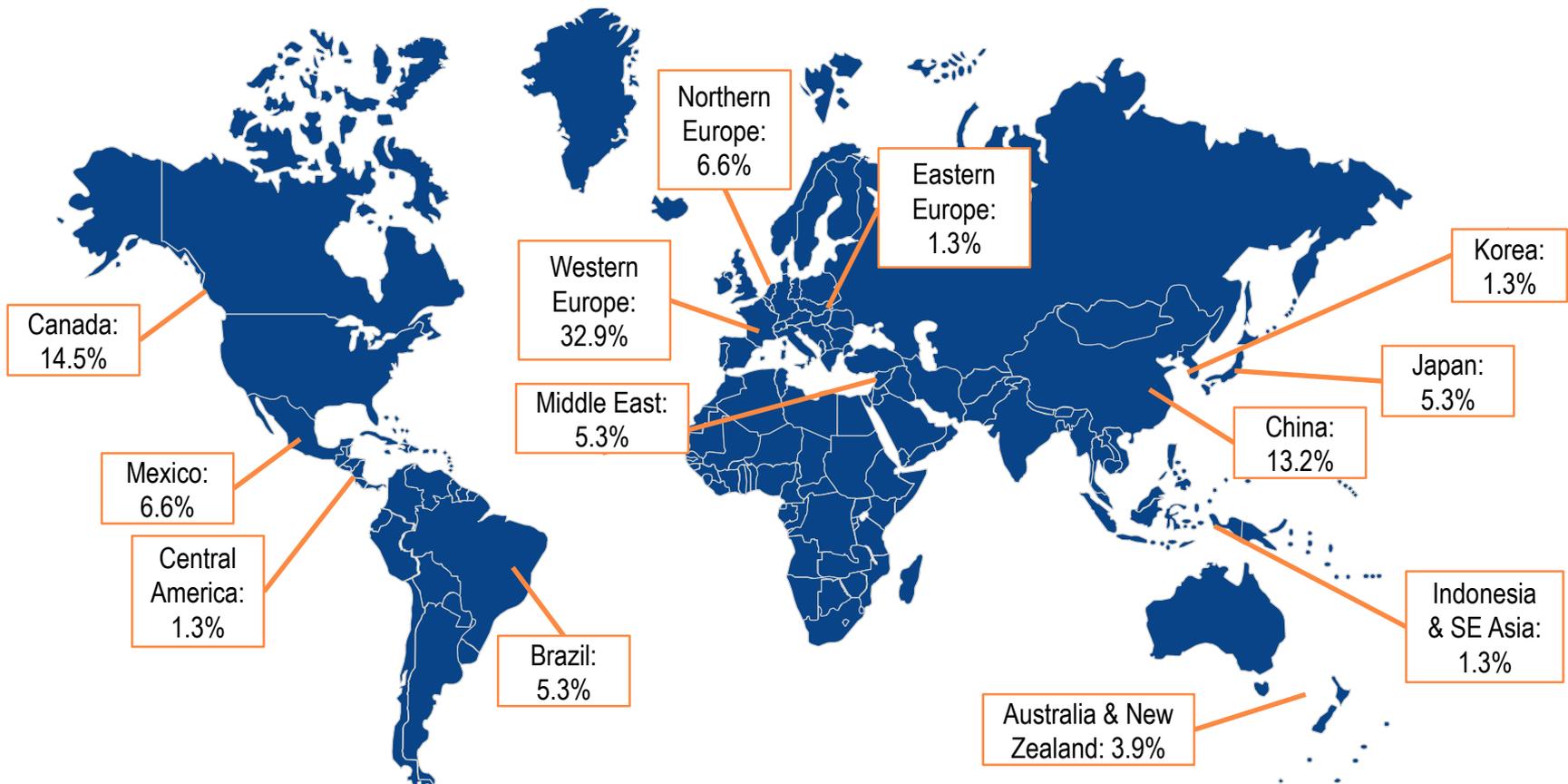


Overall	10.2%
B2B Product	8.7%
B2B Services	13.7%
B2C Product	14.2%
B2C Services	12.5%



# Western Europe leads sales for current international markets

**Figure 2.4.** Which international market is currently your largest (in terms of sales)?



# Location of international sales across different economic sectors

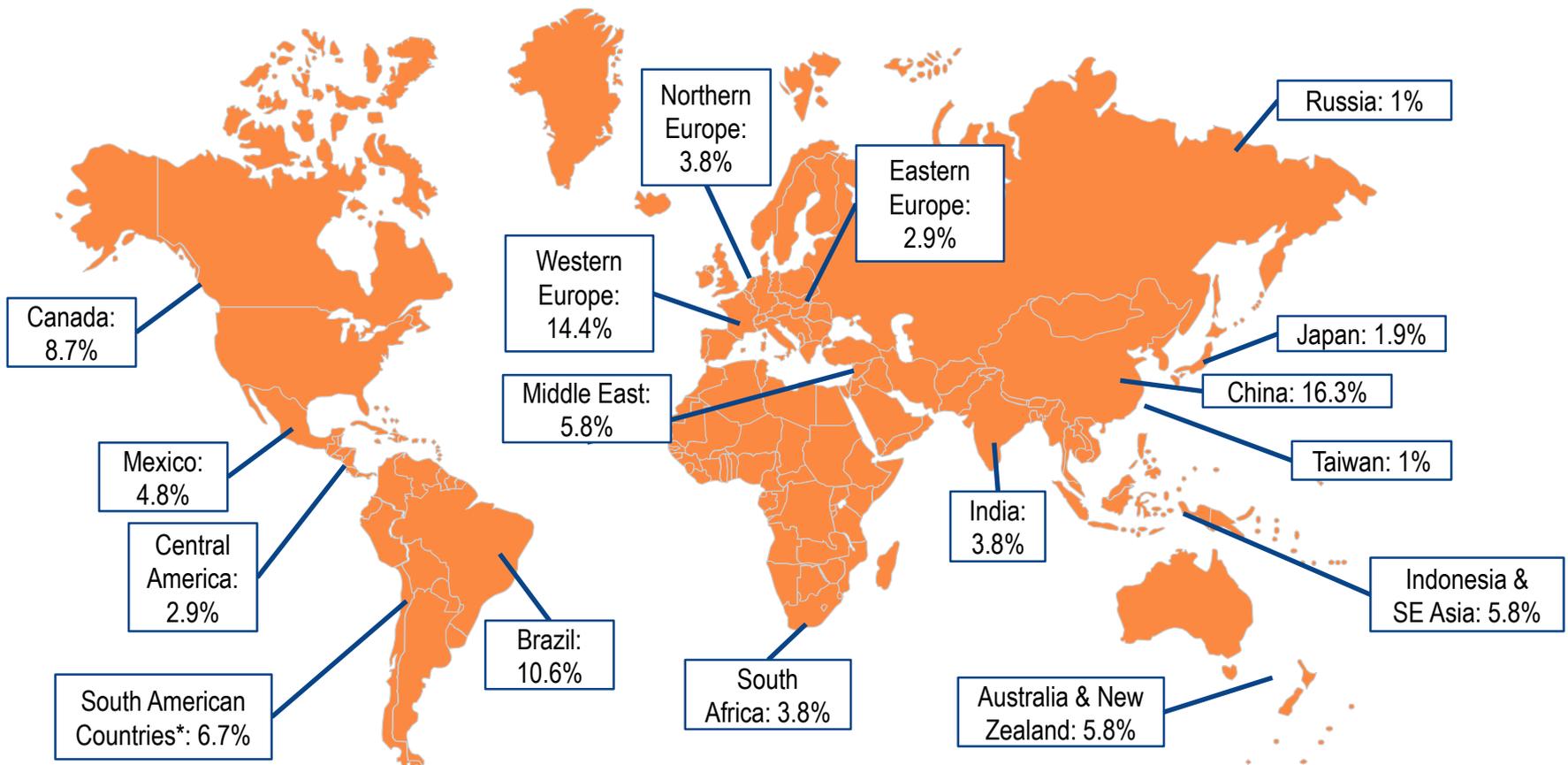
Marketplace	<b>Growth</b>	Spending	Performance	Social Media	Mobile	Jobs	Organization	Leadership	Analytics
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**Table 2.1. Which international market is currently your largest (in terms of sales)?**

	B2B Product	B2B Services	B2C Product	B2C Services
Western Europe	33.3%	42.3%	8.3%	40.0%
Canada	15.2%	11.5%	16.7%	20.0%
China	3.0%	23.1%	16.7%	20.0%
Japan	6.1%	3.8%	8.3%	-
Mexico	6.1%	-	25.0%	-
Northern Europe	3.0%	7.7%	8.3%	20.0%
Middle East	6.1%	-	16.7%	-
Brazil	9.1%	3.8%	-	-
Australia/New Zealand	6.1%	3.8%	-	-
Central America	3.0%	-	-	-
Indonesia and SE Asia	3.0%	-	-	-

# China and Western Europe are largest future growth opportunities

**Figure 2.5. Which international market that you are currently not in is your biggest opportunity for the future?**



\*South American Countries excludes Brazil

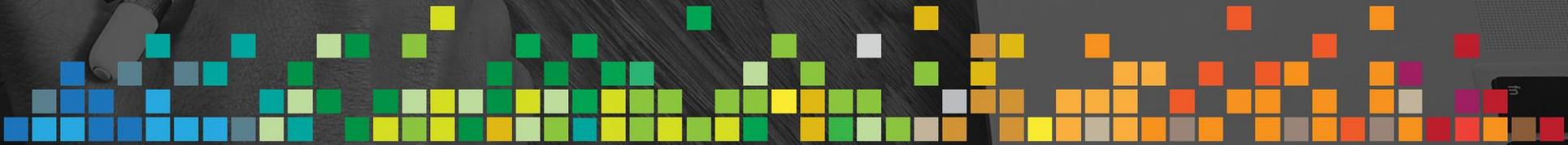


Topic 3

# Marketing Spending

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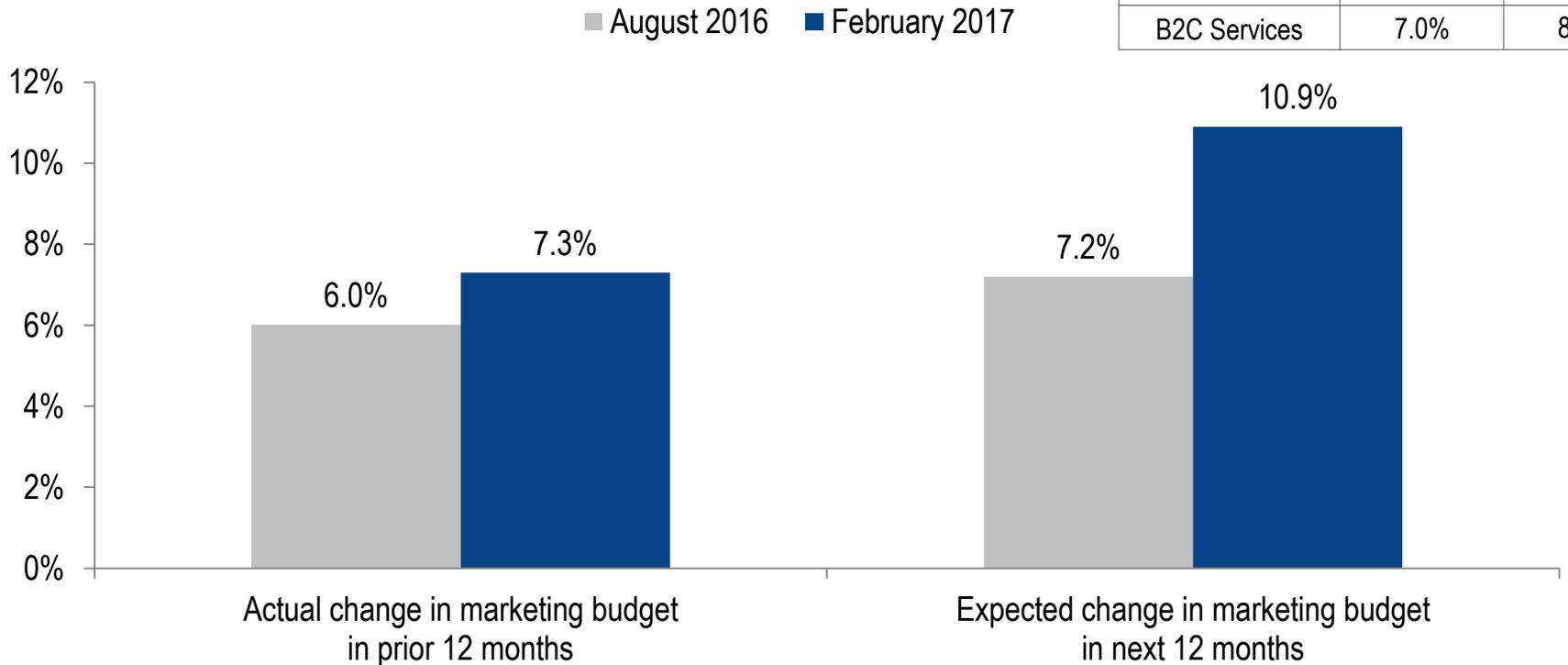
# Marketing budgets expected to increase

- Marketplace
- Growth
- Spending**
- Performance
- Social Media
- Mobile
- Jobs
- Organization
- Leadership
- Analytics

**Figure 3.1. Percent change in marketing budgets**

Prior 12 months Next 12 months

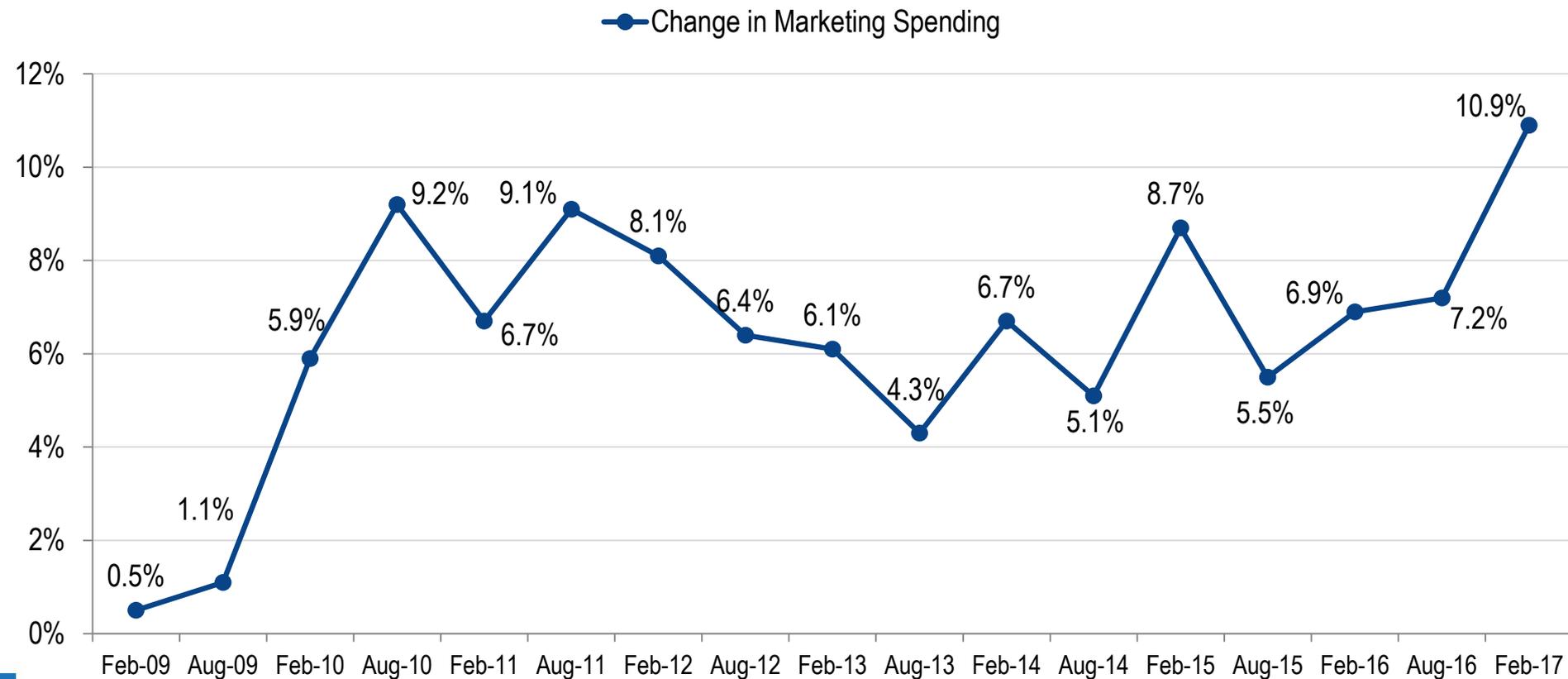
Overall	7.3%	10.9%
B2B Product	6.6%	8.9%
B2B Services	9.1%	14.4%
B2C Product	5.2%	8.8%
B2C Services	7.0%	8.5%



# Forecasted marketing budgets expected to increase 51.4%

Marketplace	Growth	<b>Spending</b>	Performance	Social Media	Mobile	Jobs	Organization	Leadership	Analytics
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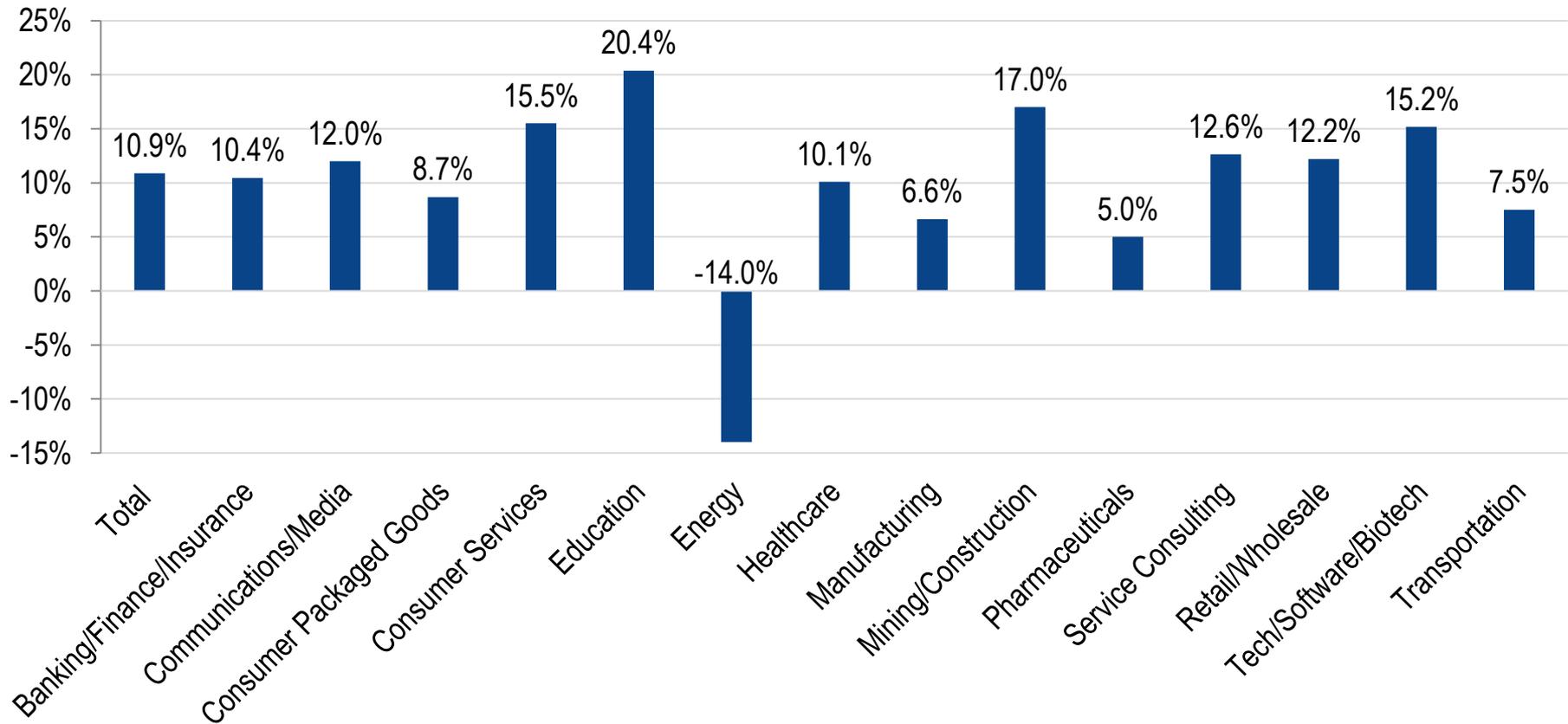
**Figure 3.2. Expected percent change in marketing budgets in next 12 months**



# Nearly all industries expect growth in marketing budgets

Marketplace	Growth	Spending	Performance	Social Media	Mobile	Jobs	Organization	Leadership	Analytics
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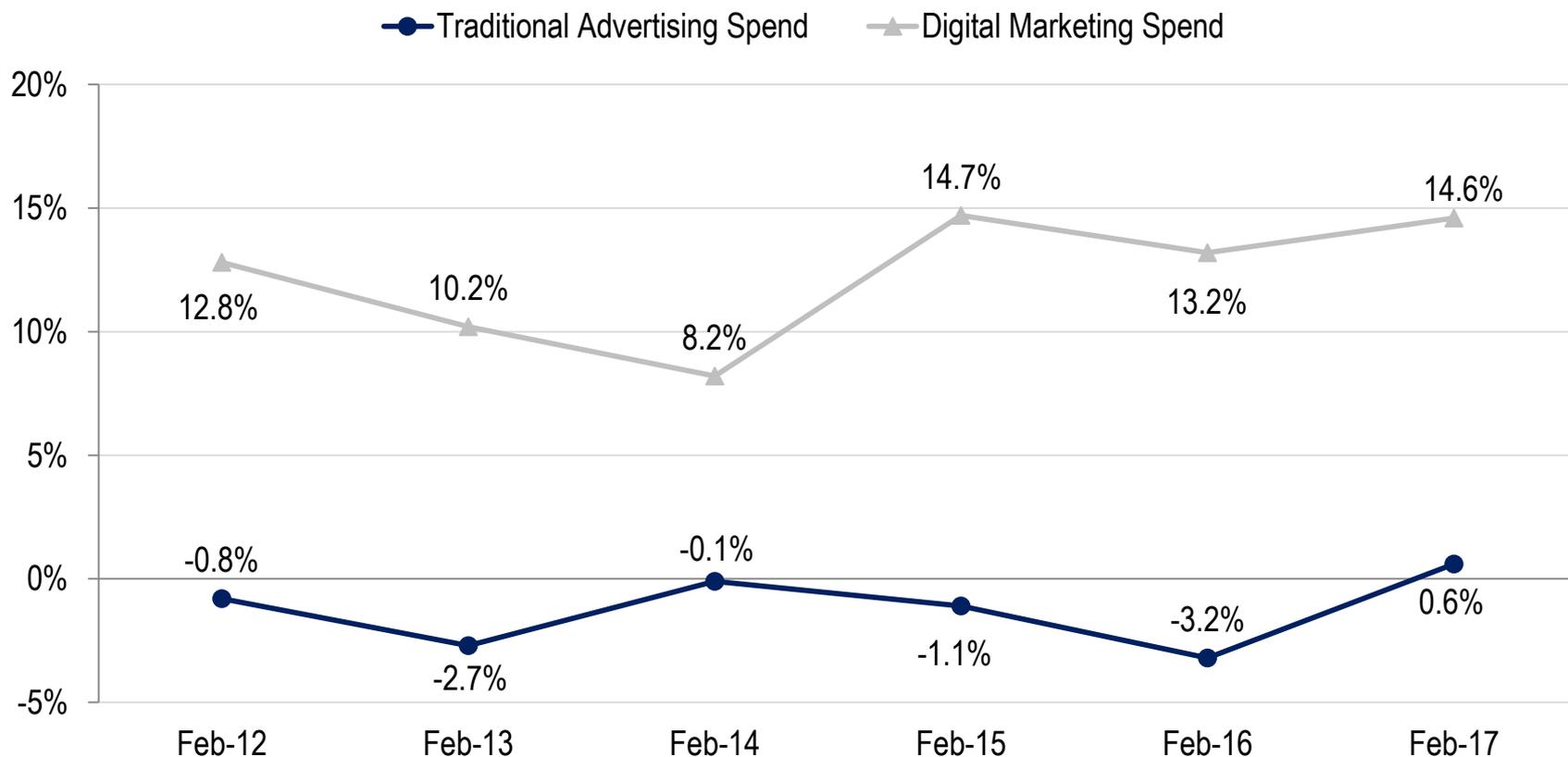
**Figure 3.3. Expected percent change in marketing budgets in next 12 months**



# Digital spend dominates; positive growth expected for traditional advertising spend for first time in 5 years

Marketplace	Growth	Spending	Performance	Social Media	Mobile	Jobs	Organization	Leadership	Analytics
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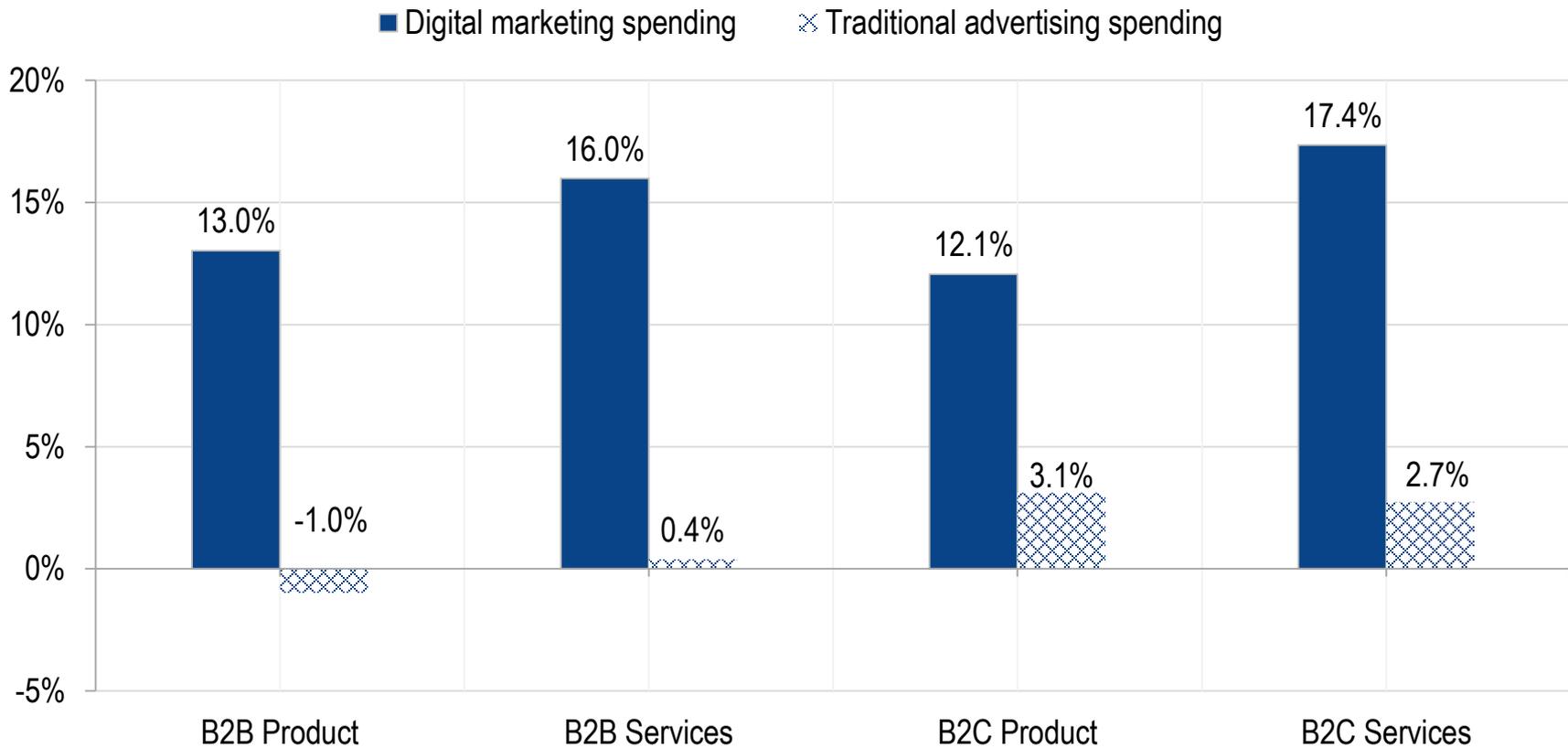
**Figure 3.4. Percent change in traditional advertising\* vs. digital marketing spend in next 12 months**



\*Refers to media advertising not using the Internet. Showing only data from February surveys.

# Digital marketing dominates overall marketing spend across economic sectors

**Figure 3.5. Percent change in traditional advertising\* vs. digital marketing spend in next 12 months**

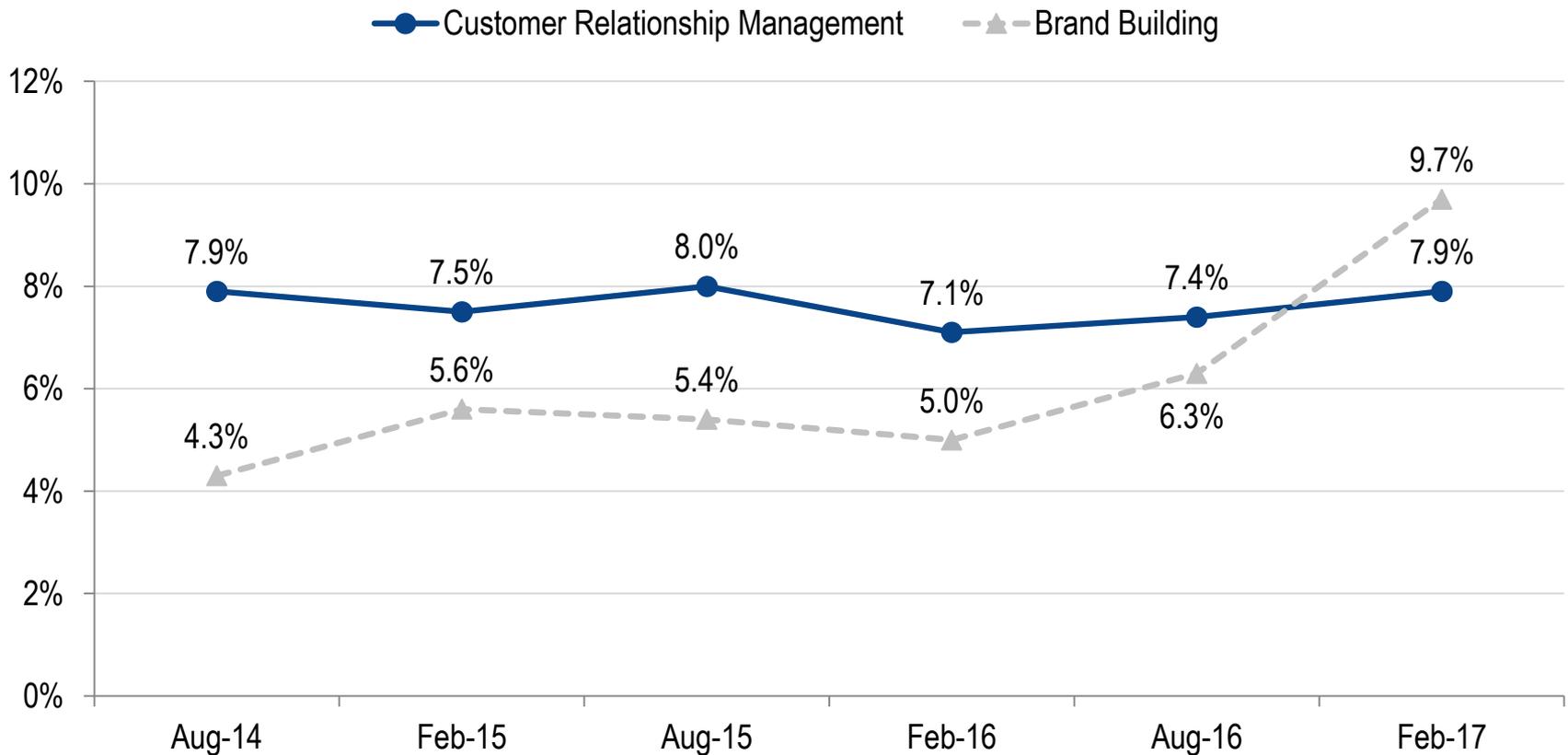


\*Refers to media advertising not using the Internet.

# Brand building expected to continue strong spending gains

Marketplace	Growth	Spending	Performance	Social Media	Mobile	Jobs	Organization	Leadership	Analytics
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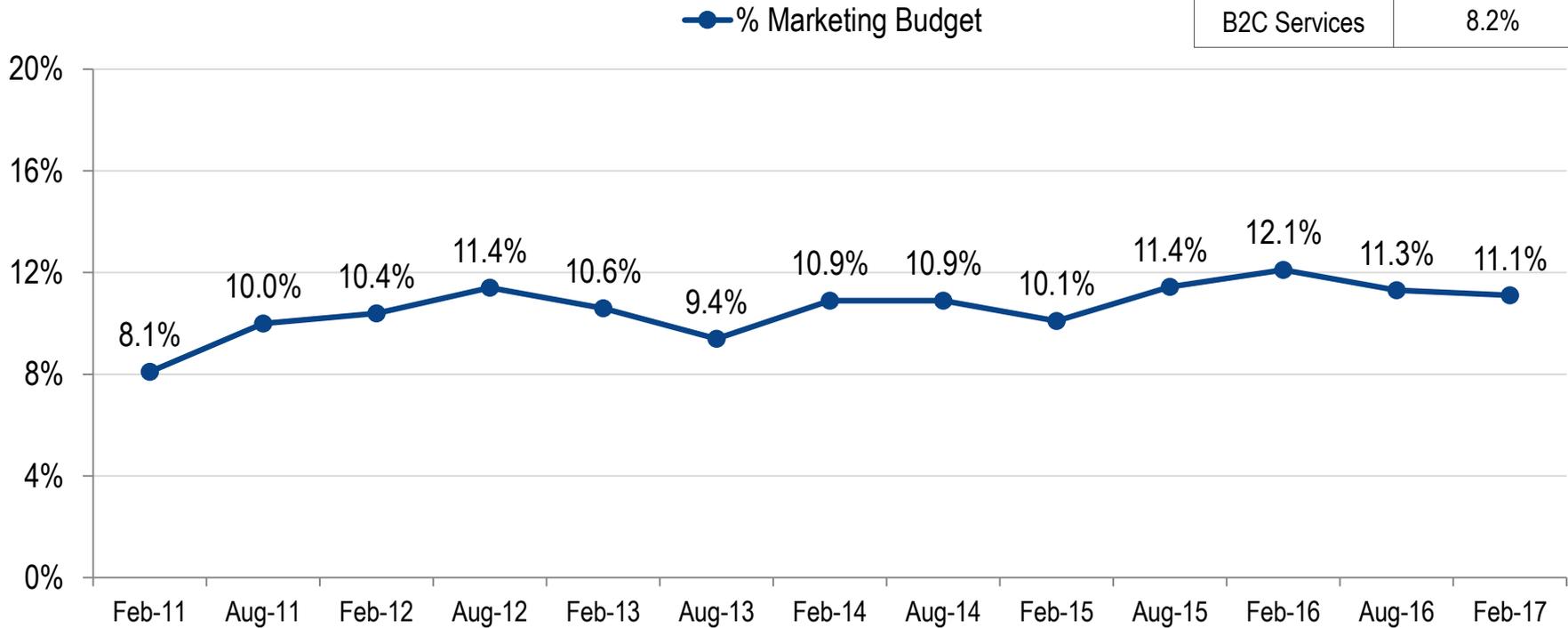
**Figure 3.6. Percent change in CRM and brand spending expected in next 12 months**



# Marketing budgets represent 11.1% of firm budgets

**Figure 3.7. Marketing budget as percent of firm budget\***

Overall	11.1%
B2B Product	10.9%
B2B Services	10.1%
B2C Product	16.9%
B2C Services	8.2%

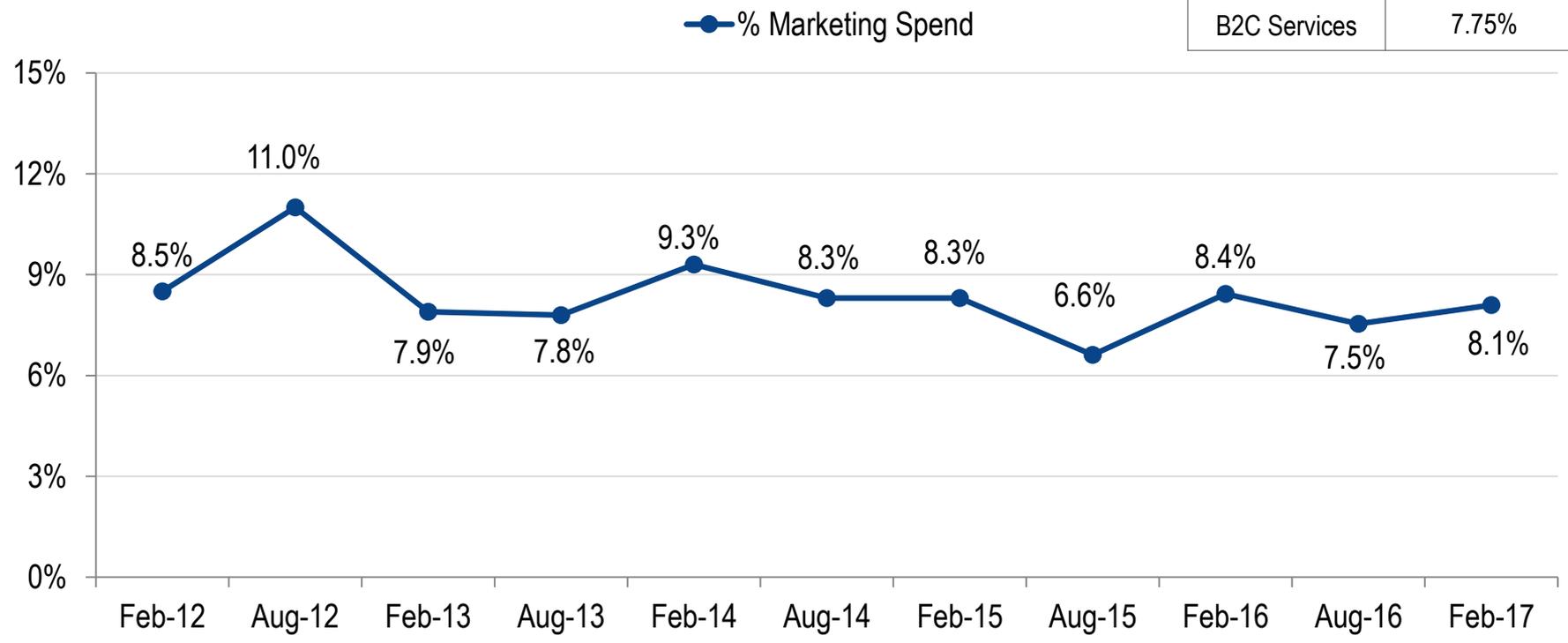


\*Question asked in Feb-11 for the first time.

# Marketing spend is 8.1% of company revenues

**Figure 3.8. Marketing spending as percent of company revenues\***

Overall	8.1%
B2B Product	7.88%
B2B Services	6.92%
B2C Product	12.4%
B2C Services	7.75%

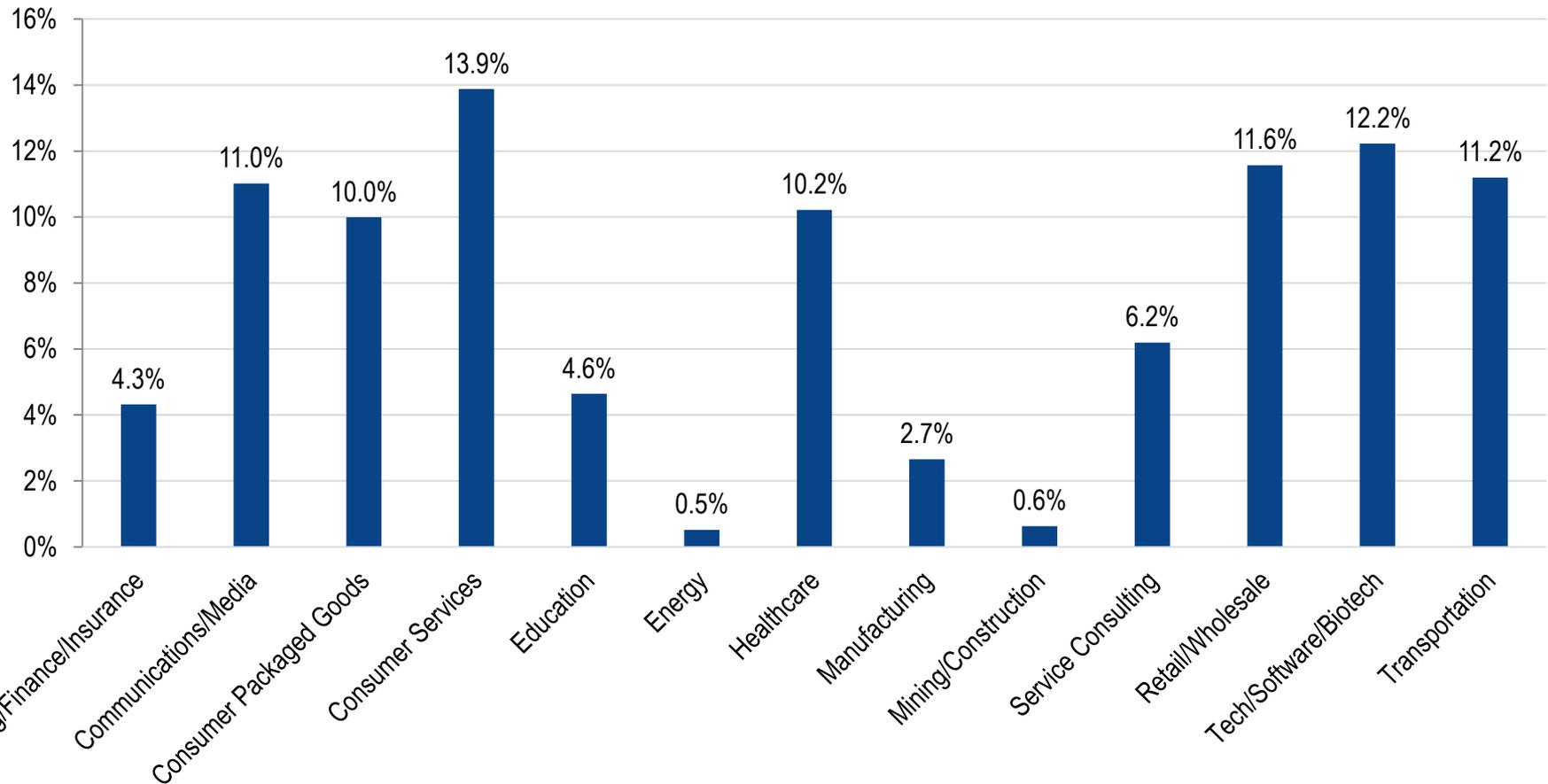


\*Question asked in Feb-12 for the first time.

# Marketing spend varies across industries

Marketplace	Growth	Spending	Performance	Social Media	Mobile	Jobs	Organization	Leadership	Analytics
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**Figure 3.9. Marketing spending as percent of company revenues\***

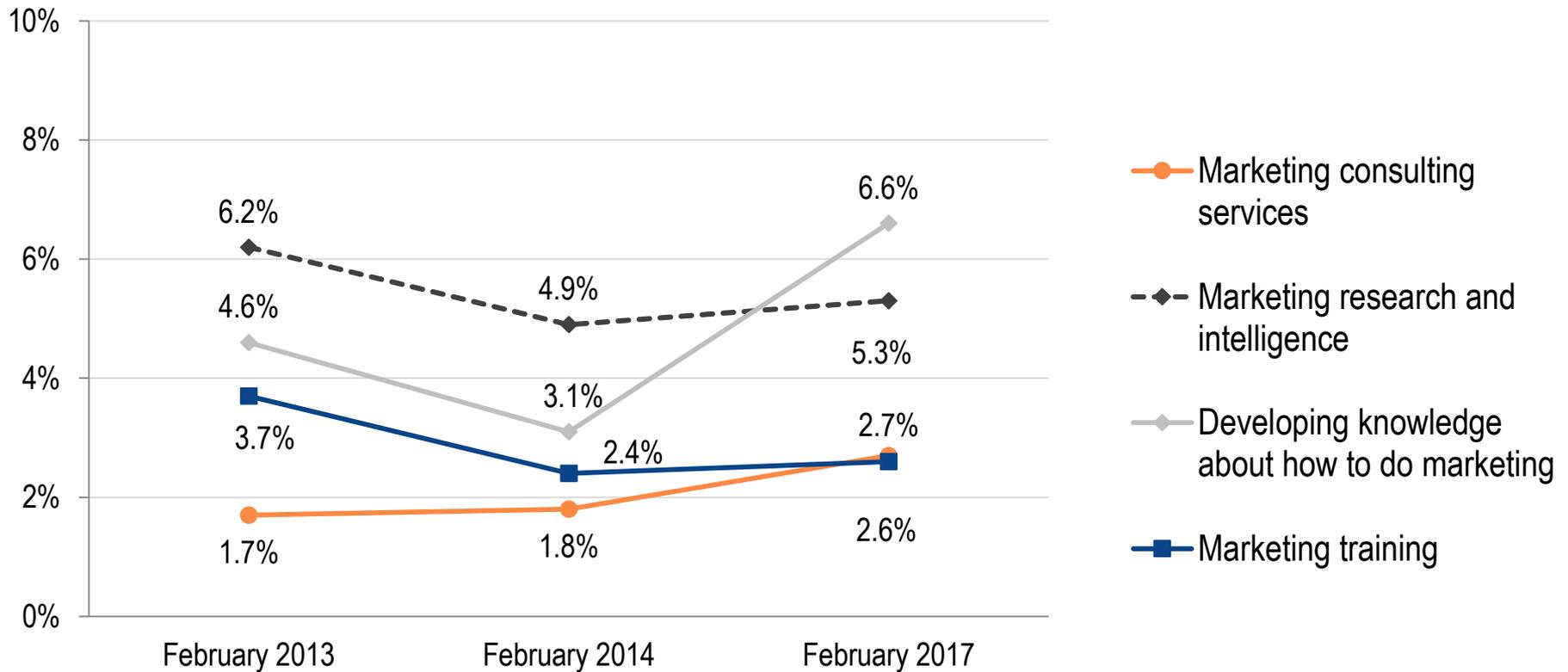


\*Pharmaceuticals are not displayed due to too few respondents.

# Firms emphasize knowledge investments; capability investments to increase 113%

Marketplace	Growth	Spending	Performance	Social Media	Mobile	Jobs	Organization	Leadership	Analytics
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**Figure 3.10. Percent change in marketing knowledge investments expected in next 12 months**



\*Developing knowledge about how to do marketing refers to the development of new marketing capabilities; marketing training involves transferring existing marketing knowledge to employees.

# Firms to increase their investments on knowledge building

Marketplace	Growth	Spending	Performance	Social Media	Mobile	Jobs	Organization	Leadership	Analytics
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**Table 3.1. Percent change in marketing knowledge investments expected in next 12 months**

	Overall Mean (SD)	B2B Product	B2B Services	B2C Product	B2C Services
Marketing consulting services	2.7%	2.5%	4.4%	-1.2%	2.5%
Marketing research and intelligence	5.3%	5.0%	6.0%	3.9%	5.6%
Developing knowledge about how to do marketing	6.6%	4.9%	8.5%	7.0%	5.5%
Marketing training	2.6%	2.4%	2.5%	3.2%	2.9%

\*Developing knowledge about how to do marketing refers to the development of new marketing capabilities; marketing training involves transferring existing marketing knowledge to employees.

# Overall budget spend averages 3.8% for training and development

Marketplace	Growth	Spending	Performance	Social Media	Mobile	Jobs	Organization	Leadership	Analytics
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## Percentage of marketing budget devoted to training and development

(Overall mean = 3.8%, SD = 4.9, 95% Percent Confidence Interval Around the Mean: 3.2%-4.4%)

**Table 3.2a. Industry sector differences**

Sector*	Mean
Banking/Finance/Insurance	3.4
Communications/Media	4.9
Consumer Packaged Goods	3.1
Consumer Services	1.8
Education	6.1
Energy	5.0
Healthcare	4.1
Manufacturing	4.4
Mining/Construction	0.7
Retail/Wholesale	2.5
Service/Consulting	3.2
Tech/Software/Biotech	4.4
Transportation	4.6

**Table 3.2b. Firm sector differences**

Sector	Mean
B2B Product	4.3
B2B Services	3.8
B2C Product	3.6
B2C Services	2.7

**Table 3.2c. Firm Internet sales differences**

Firm sales	Mean
0% of sales	3.0
1-10% of sales	4.1
>10% of sales	4.4

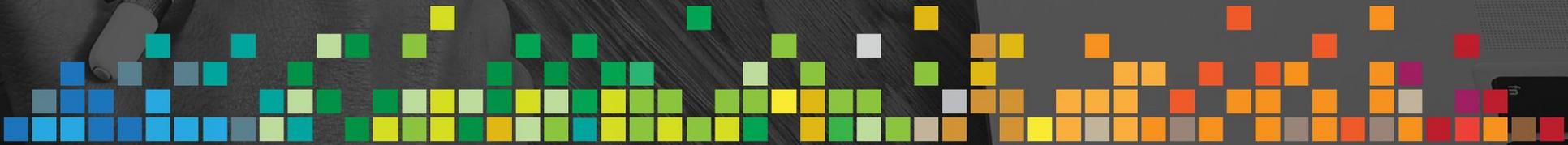
\*Pharmaceuticals are not displayed due to too few respondents.

Topic 4

# Financial and Marketing Performance

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# Performance metrics increased across all economic sectors in past year

Marketplace	Growth	Spending	Performance	Social Media	Mobile	Jobs	Organization	Leadership	Analytics
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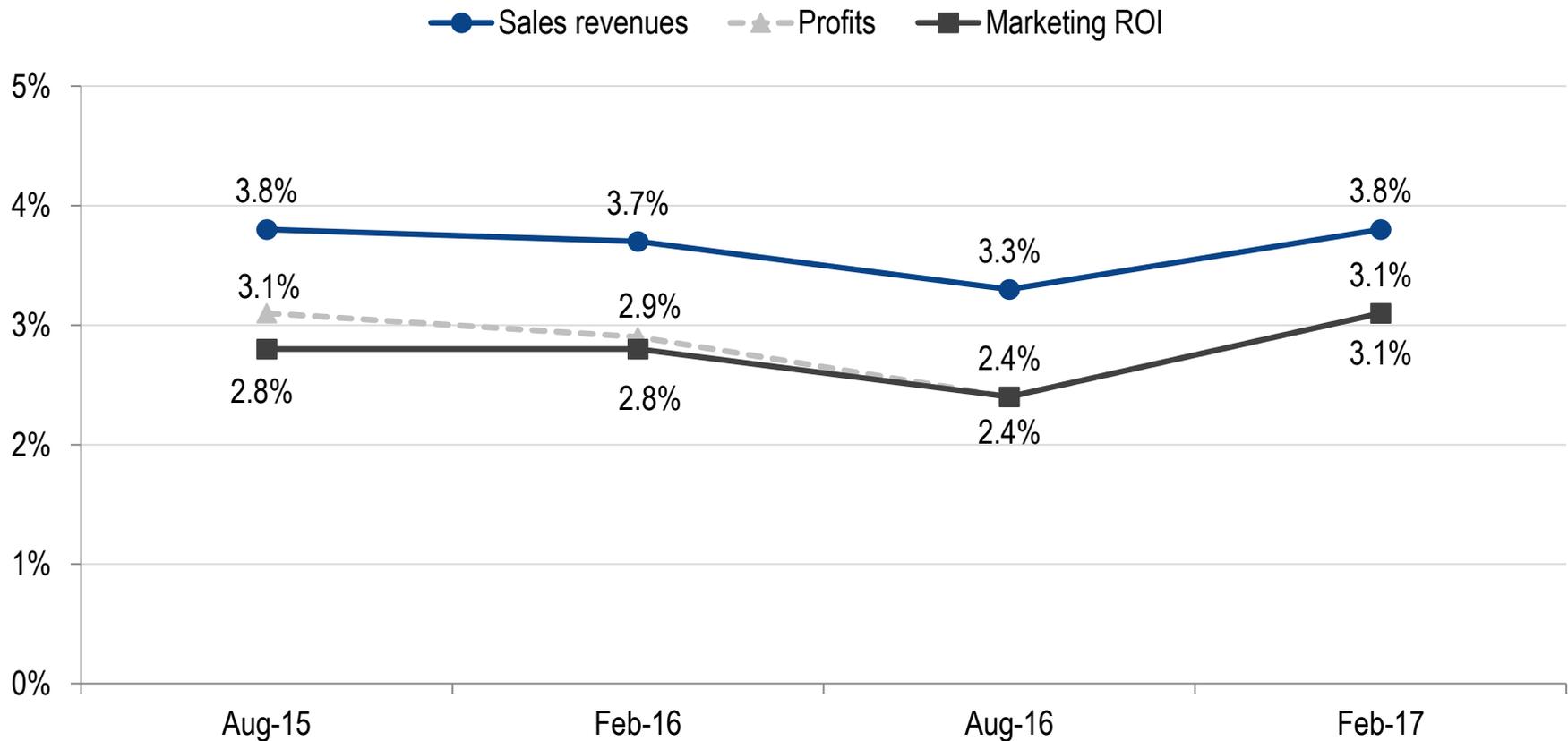
**Table 4.1. Percent change in financial and marketing performance in prior 12 months: Mean (S.D.) reported**

	Overall Mean (SD)	B2B Product	B2B Services	B2C Product	B2C Services
Sales	3.8% (5.8%)	3.9% (6.5%)	3.9% (5.4%)	4.7% (4.6%)	1.7% (6.3%)
Profits	3.1% (5.3%)	3.1% (5.3%)	2.7% (4.7%)	4.1% (5.4%)	2.8% (7.0%)
Marketing ROI	3.1% (4.5%)	3.2% (4.1%)	3.1% (4.6%)	3.2% (4.2%)	3.0% (5.7%)
Customer acquisition	3.1% (4.6%)	4.1% (4.0%)	3.0% (4.8%)	2.5% (4.4%)	1.6% (5.6%)
Customer retention	1.5% (4.8%)	1.1% (4.7%)	2.0% (5.0%)	2.0% (4.2%)	0.3% (5.2%)
Brand value	3.8% (4.2%)	4.1% (4.4%)	4.2% (4.4%)	3.9% (3.9%)	1.9% (3.7%)

# Revenues, profits, and market ROI all increased over prior 12 months

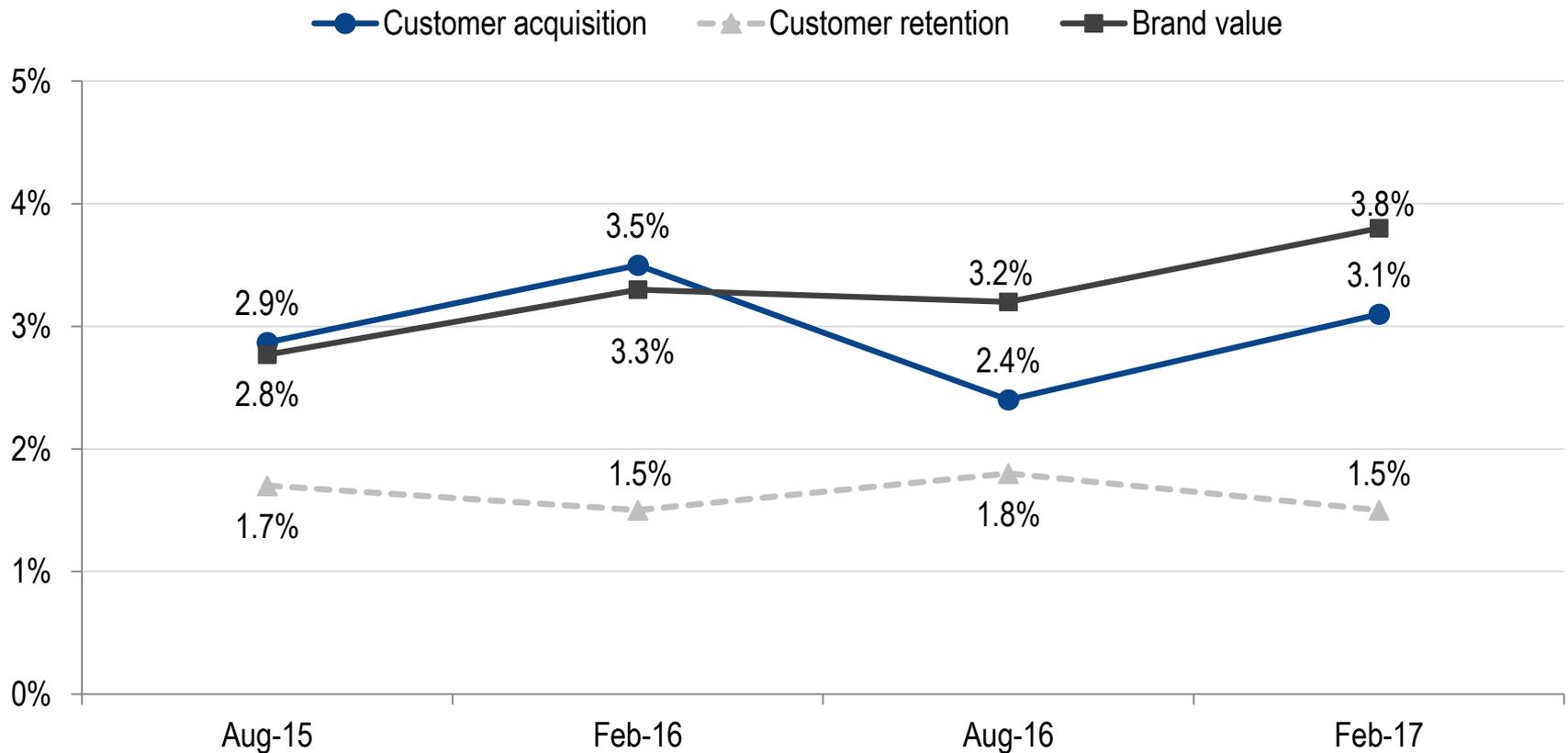
Marketplace	Growth	Spending	Performance	Social Media	Mobile	Jobs	Organization	Leadership	Analytics
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**Figure 4.1. Percent change in performance on financial metrics in prior 12 months**



# Customer acquisition and brand value performance improve

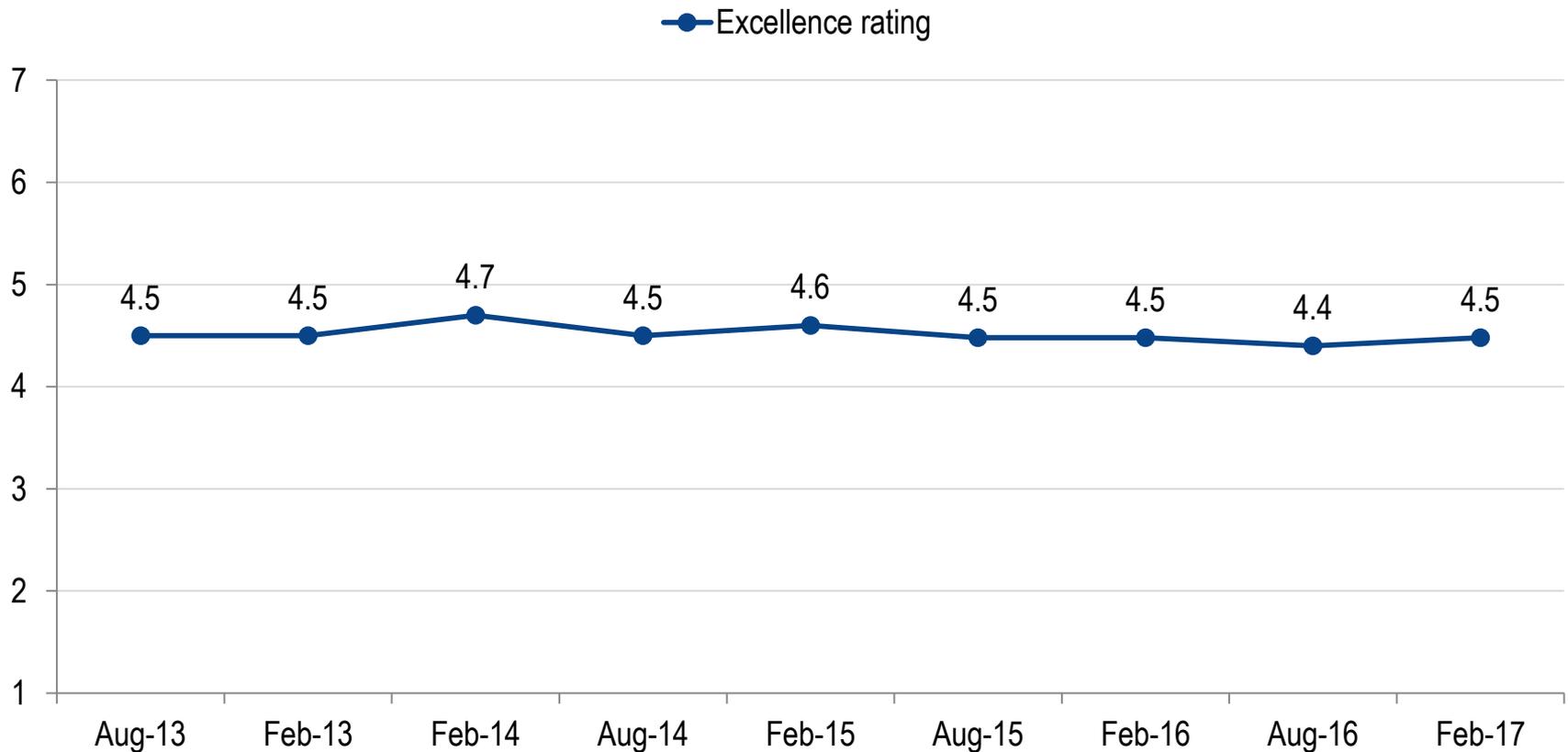
**Figure 4.2. Percent change in performance on customer and brand metrics in prior 12 months**



# Marketing excellence ratings remain flat

Marketplace	Growth	Spending	Performance	Social Media	Mobile	Jobs	Organization	Leadership	Analytics
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**Figure 4.3. How would you rate your company's marketing excellence?\***  
(7-point scale where 1=Very weak, 7=Leader)

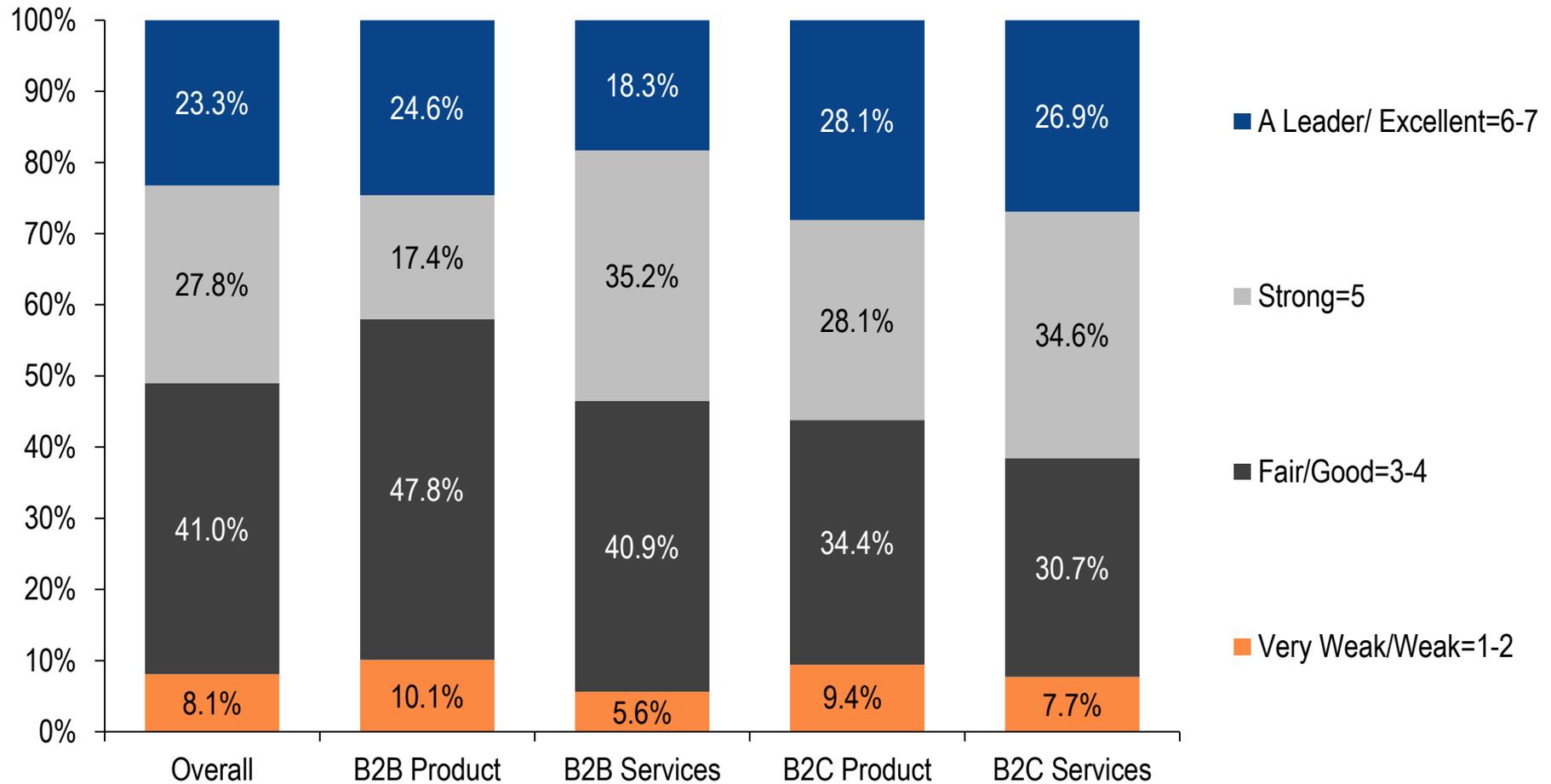


\* Question asked in Aug-13 for the first time.

# B2C Product companies more likely to be marketing leaders

Marketplace	Growth	Spending	Performance	Social Media	Mobile	Jobs	Organization	Leadership	Analytics
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**Figure 4.4. How would you rate your company's marketing excellence?**  
 (7-point scale where 1=Very weak and 7=Leader)



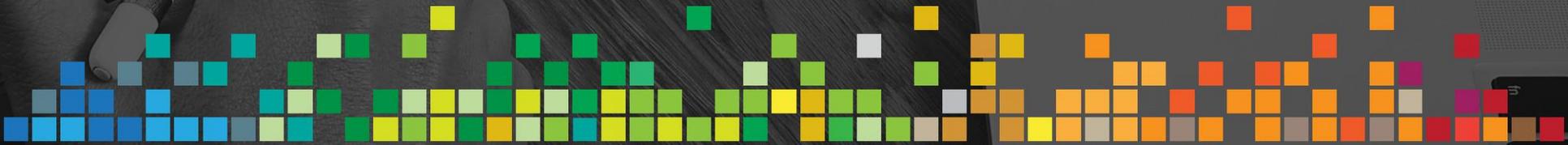


Topic 5

# Social Media Marketing

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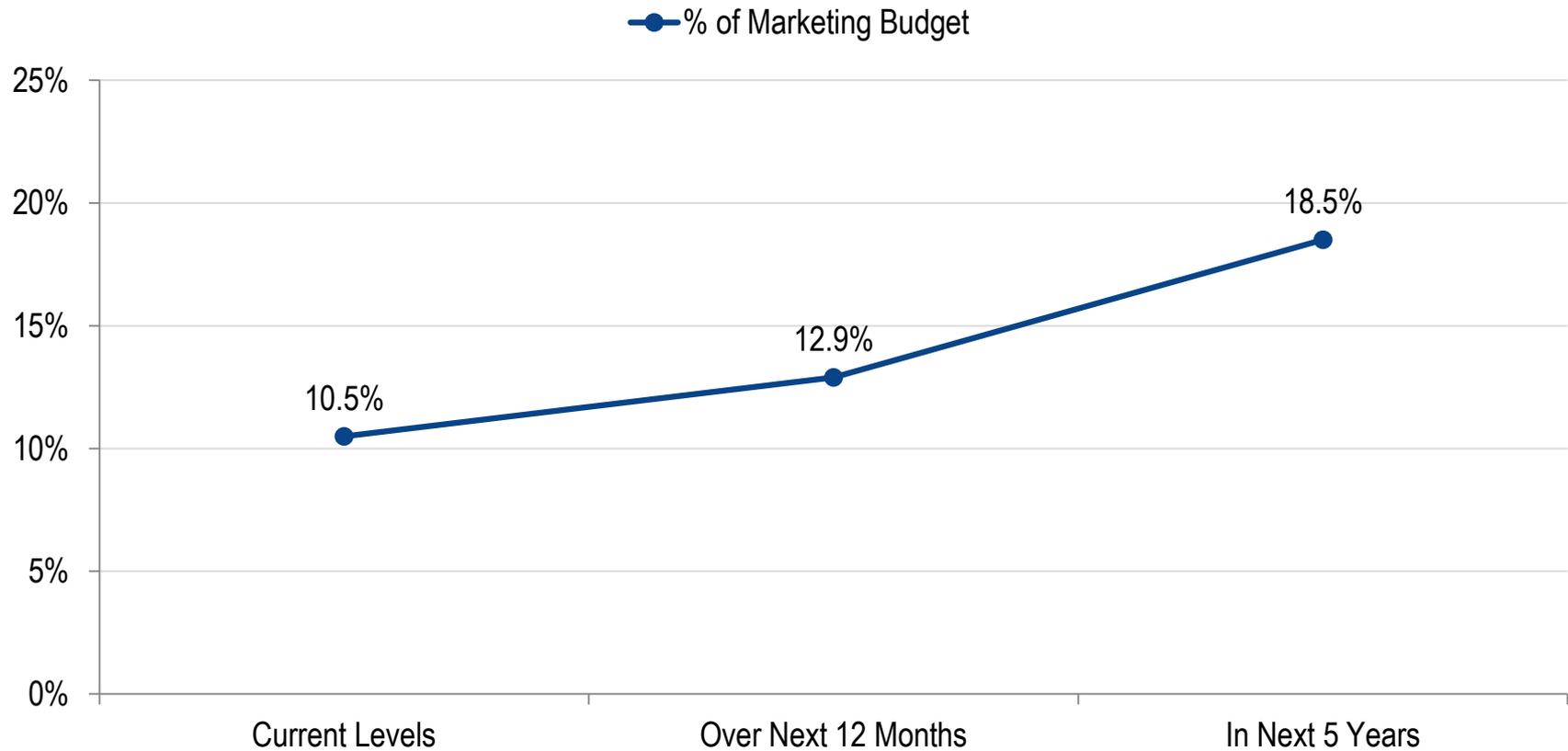
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# Marketers to expand social media spend by 90% in next 5 years

Marketplace	Growth	Spending	Performance	Social Media	Mobile	Jobs	Organization	Leadership	Analytics
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**Figure 5.1. Social media spending as percent of marketing budgets**



# B2C Product leads social media spend; all sectors to grow by ~20% in next year

Marketplace	Growth	Spending	Performance	Social Media	Mobile	Jobs	Organization	Leadership	Analytics
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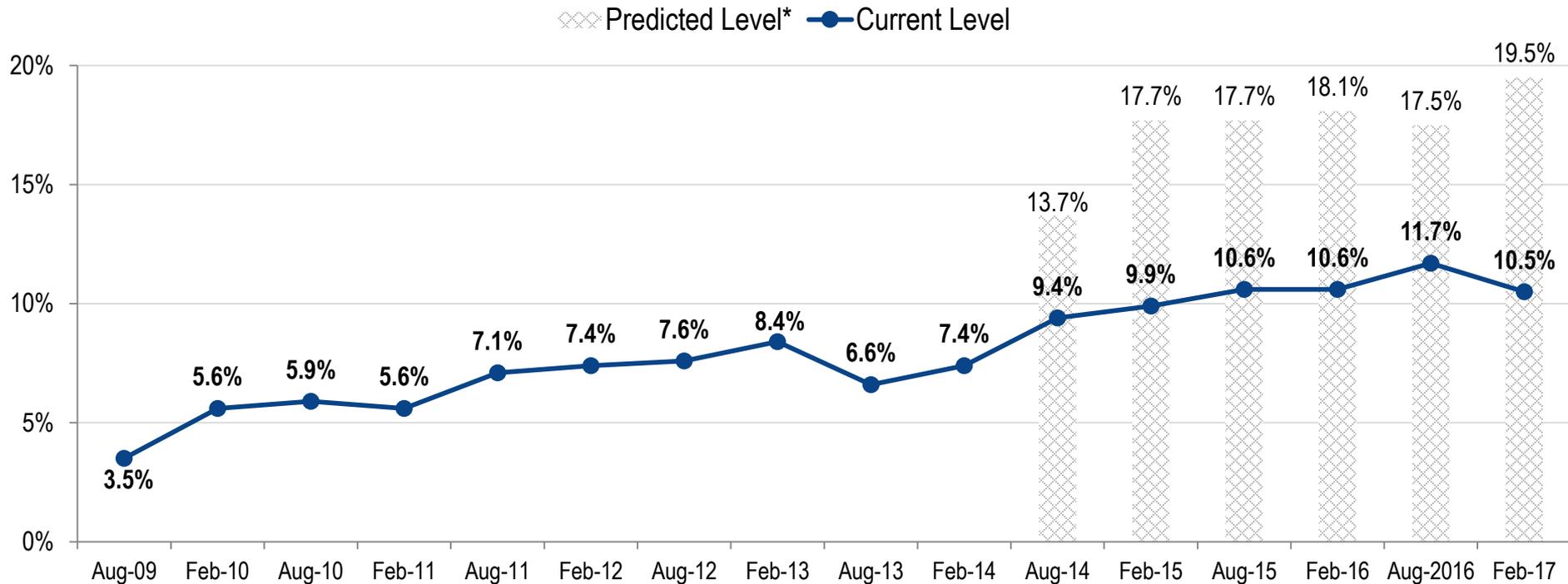
**Table 5.1. Changes in social media spending across sectors**

	Overall	B2B Product	B2B Services	B2C Product	B2C Services
Current social media spending	10.5%	9.4%	10.7%	14.6%	7.9%
Social media spending in the next 12 months	12.9%	11.4%	13.2%	17.1%	11.0%
Social media spending in the next 5 years	18.6%	17.0%	17.9%	25.5%	16.3%

# Social media spend fails to grow at prior rate and fails to meet 5-year projections

Marketplace	Growth	Spending	Performance	Social Media	Mobile	Jobs	Organization	Leadership	Analytics
-------------	--------	----------	-------------	--------------	--------	------	--------------	------------	-----------

**Figure 5.2. Actual versus predicted social media spending as percent of marketing budget**

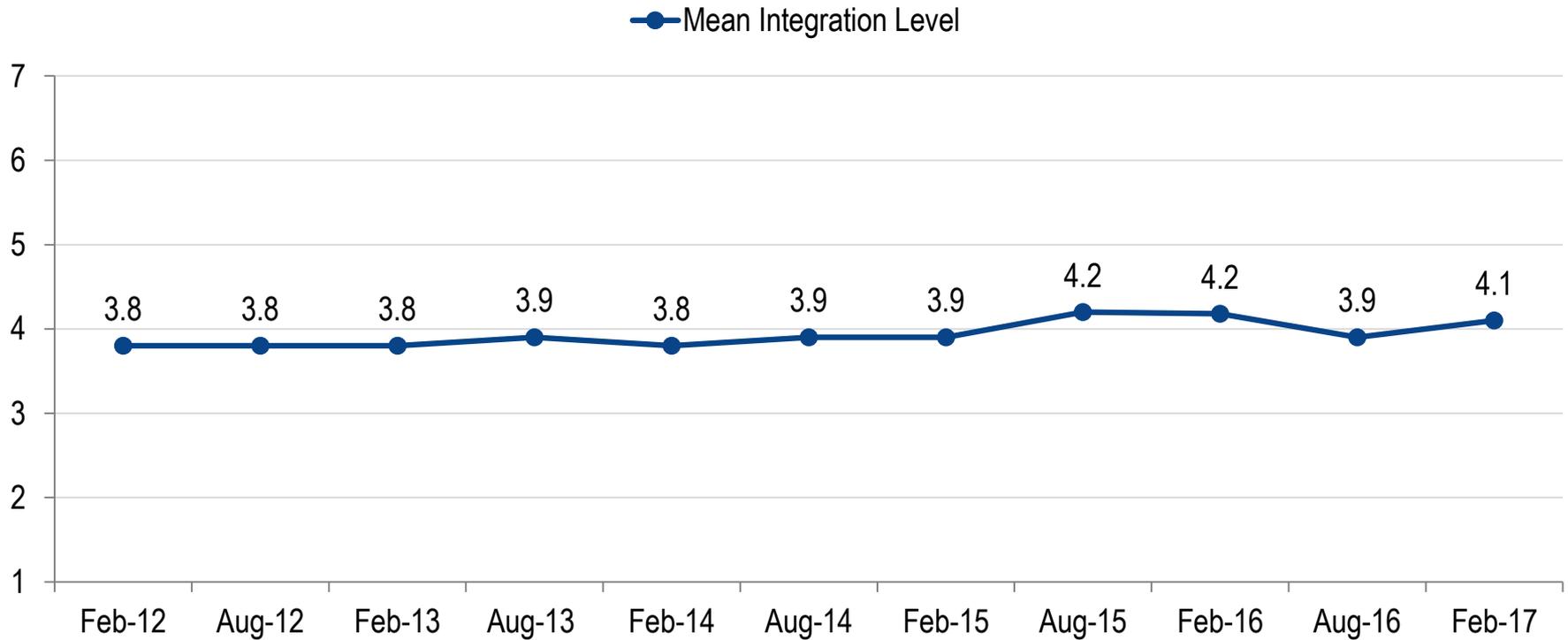


\*Predicted level is based on responses to 5-year predicted social media spend five years earlier (e.g., Aug-14 based on response from Aug-09).

# Integration of social media and marketing strategy shows minimal progress

Marketplace	Growth	Spending	Performance	Social Media	Mobile	Jobs	Organization	Leadership	Analytics
-------------	--------	----------	-------------	--------------	--------	------	--------------	------------	-----------

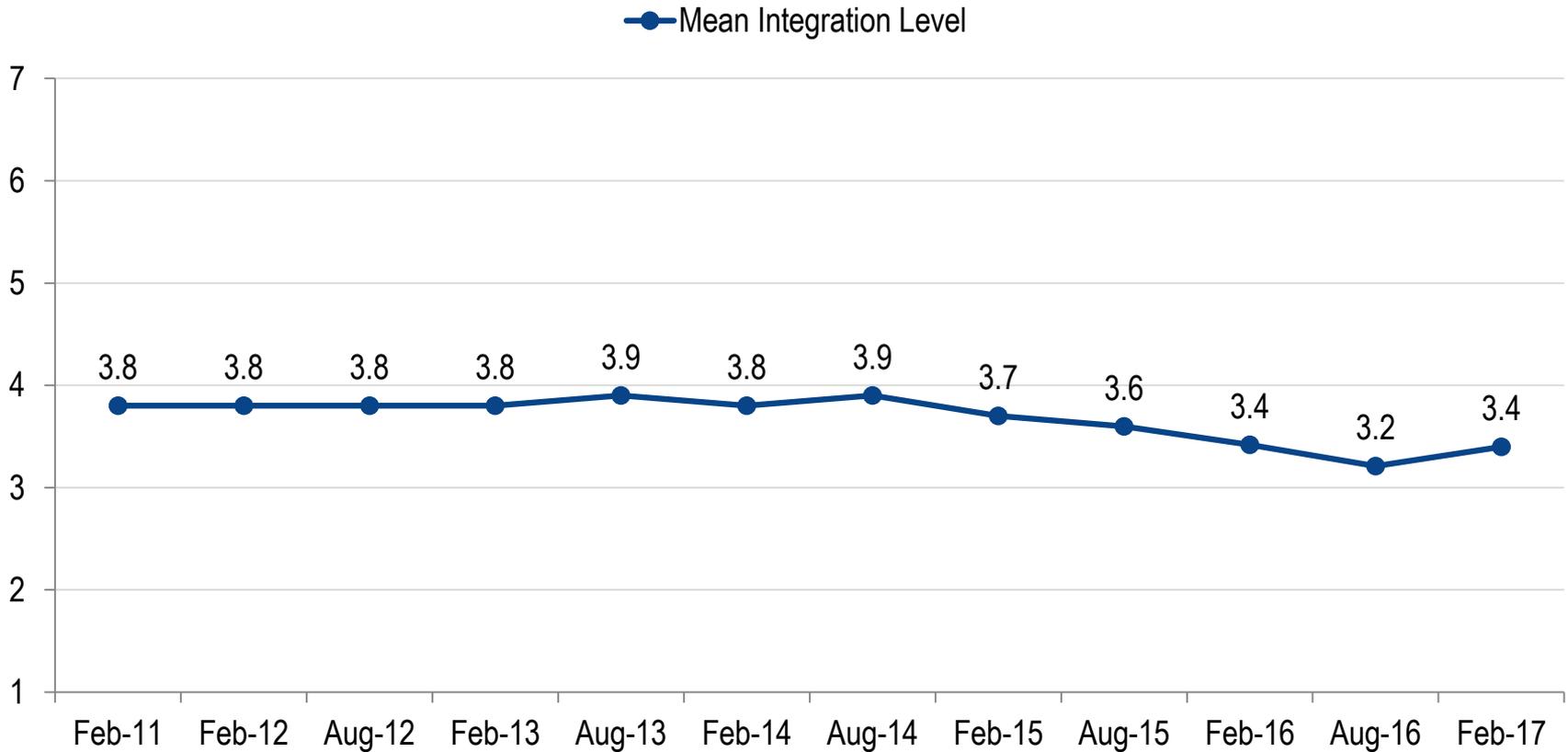
**Figure 5.3.** How effectively is social media linked to your firm's marketing strategy?  
(1=Not integrated, 7=Very integrated)



# Integration of customer information across channels shows no improvement

Marketplace	Growth	Spending	Performance	Social Media	Mobile	Jobs	Organization	Leadership	Analytics
-------------	--------	----------	-------------	--------------	--------	------	--------------	------------	-----------

**Figure 5.4.** How effectively does your company integrate customer information across purchasing, communication, and social media channels? (1=Not at all effectively, 7=Very effectively)

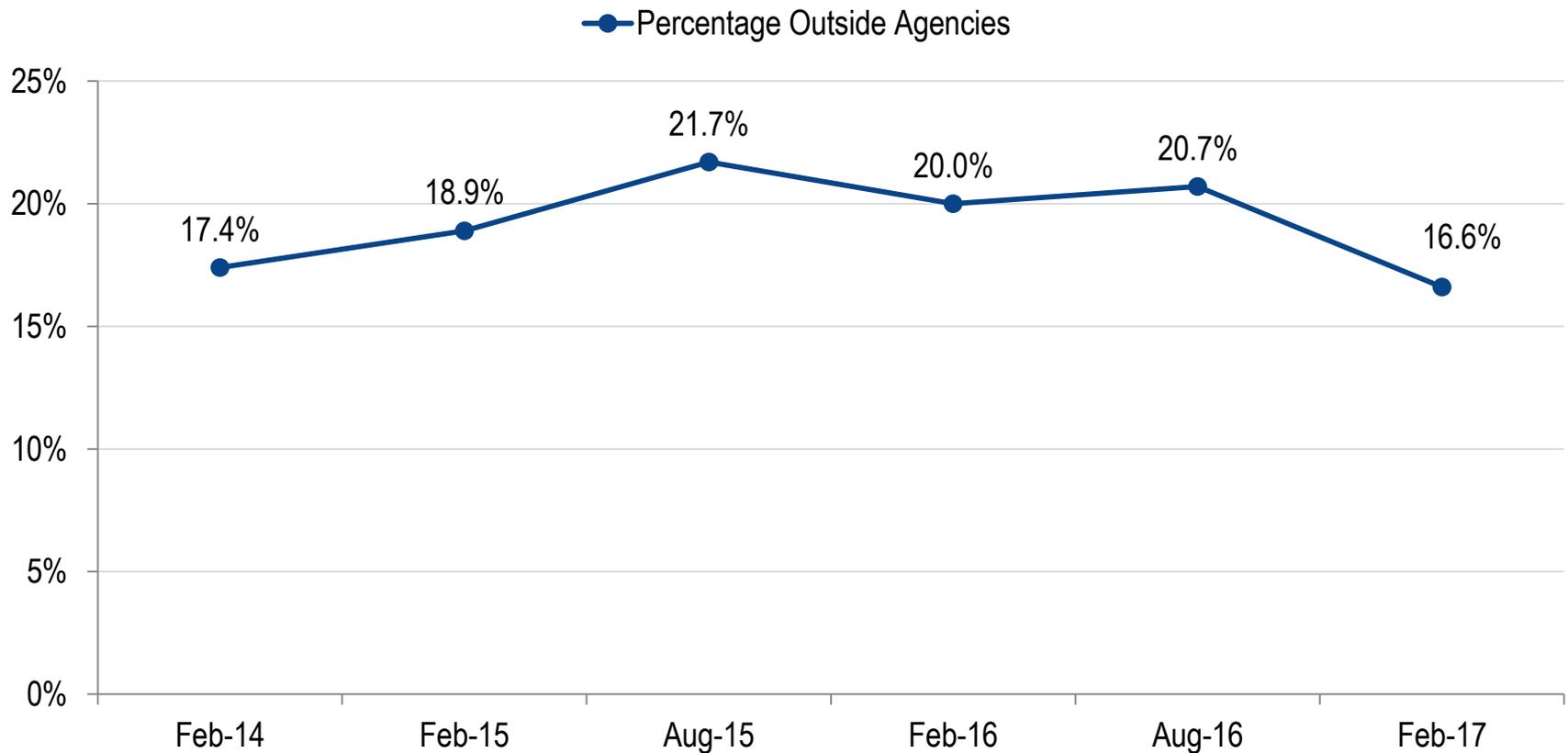


\*Question asked in Feb-11 for the first time.

# Use of outside social media agencies experiences a significant drop

Marketplace	Growth	Spending	Performance	Social Media	Mobile	Jobs	Organization	Leadership	Analytics
-------------	--------	----------	-------------	--------------	--------	------	--------------	------------	-----------

**Figure 5.5. Percent of company's social media activities performed by outside agencies**

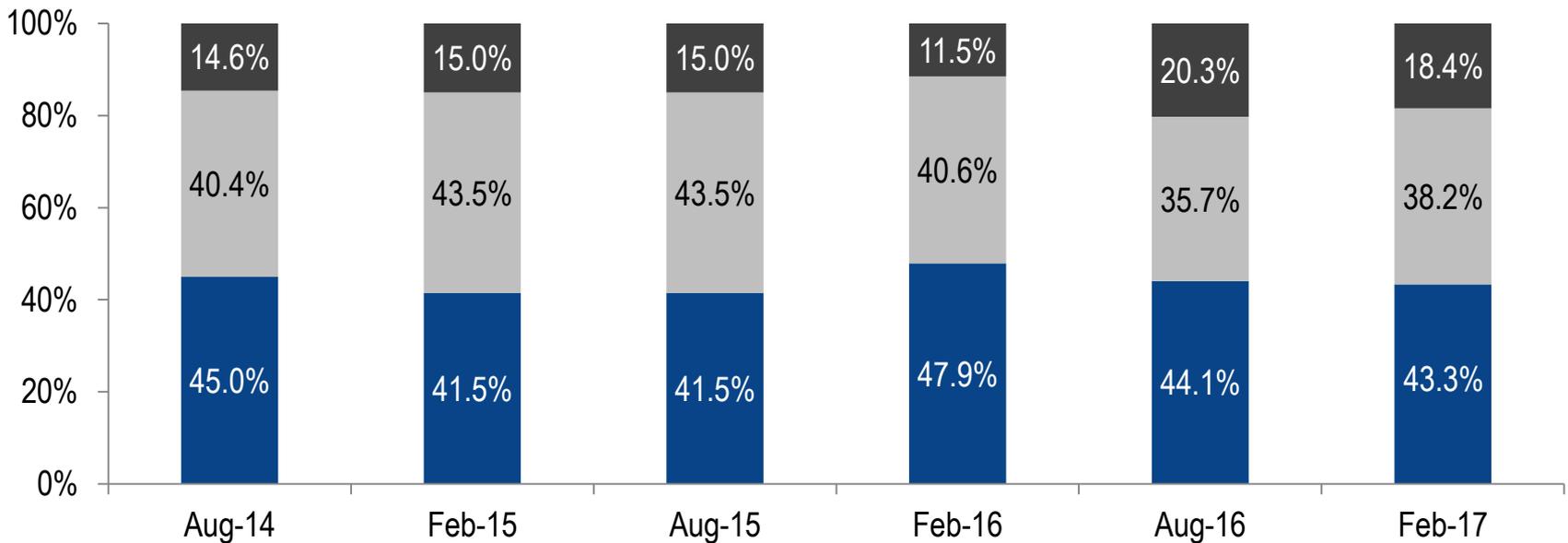


# The impact of social media remains difficult to prove

**Figure 5.6. Which best describes how you show the impact of social media on your business?**

- Have proven the impact quantitatively
- Have a good qualitative sense of the impact, but not a quantitative impact
- Haven't been able to show the impact yet

	Haven't shown impact	Qualitative sense	Proven quantitatively
Overall	43.3%	38.2%	18.4%
B2B Product	47.3%	36.5%	16.2%
B2B Services	44.4%	43.2%	12.3%
B2C Product	39.4%	33.3%	27.3%
B2C Services	34.5%	34.5%	31.0%

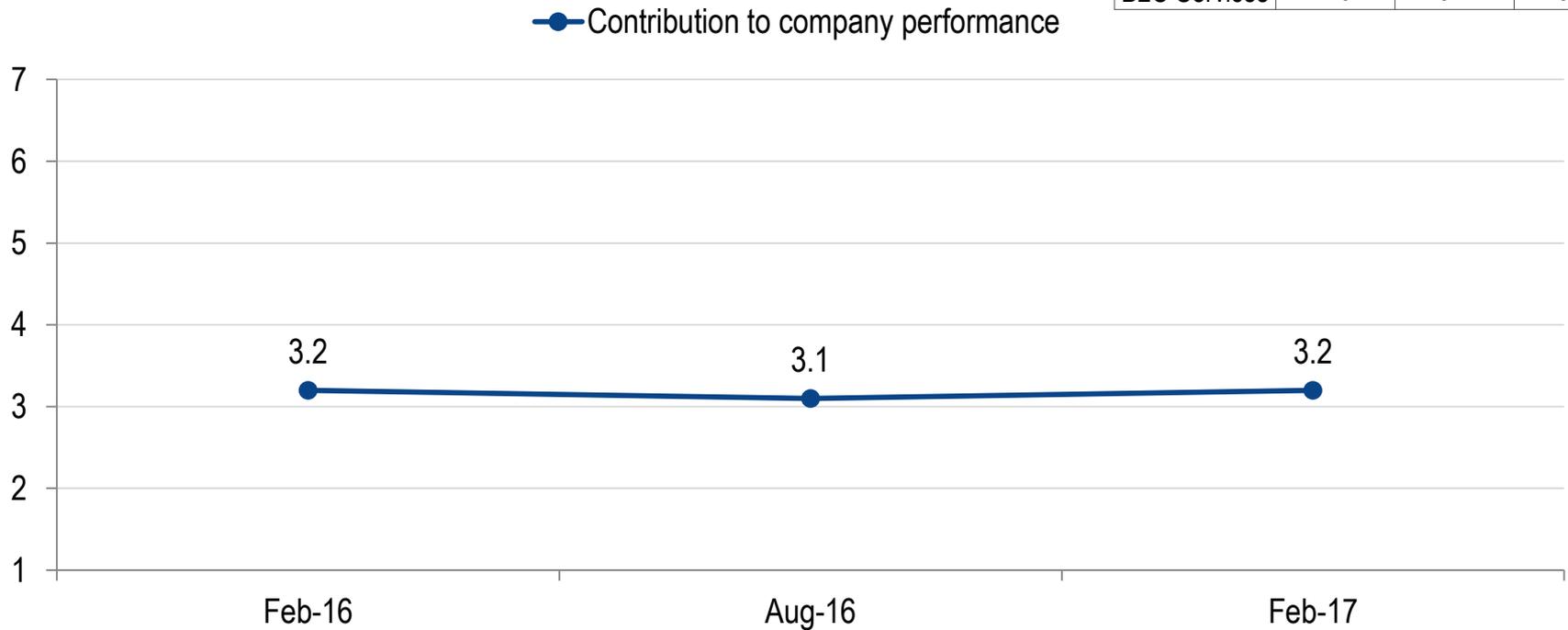


# Social media perceived to contribute little to company performance

Marketplace	Growth	Spending	Performance	Social Media	Mobile	Jobs	Organization	Leadership	Analytics
-------------	--------	----------	-------------	--------------	--------	------	--------------	------------	-----------

**Figure 5.7.** To what degree does the use of social media contribute to your company's performance? (1=Not at all, 7=Very highly)

	Feb-16	Aug-16	Feb-17
Overall	3.2	3.1	3.2
B2B Product	2.5	2.7	2.9
B2B Services	3.4	3.1	3.1
B2C Product	3.2	3.8	3.9
B2C Services	4.0	3.4	3.2



\* Question asked in Feb-16 for the first time.

# Top reason firms use social media: Brand building and brand awareness

Marketplace	Growth	Spending	Performance	<b>Social Media</b>	Mobile	Jobs	Organization	Leadership	Analytics
-------------	--------	----------	-------------	---------------------	--------	------	--------------	------------	-----------

**Table 5.2. How does your firm use social media? (Check all that apply)**

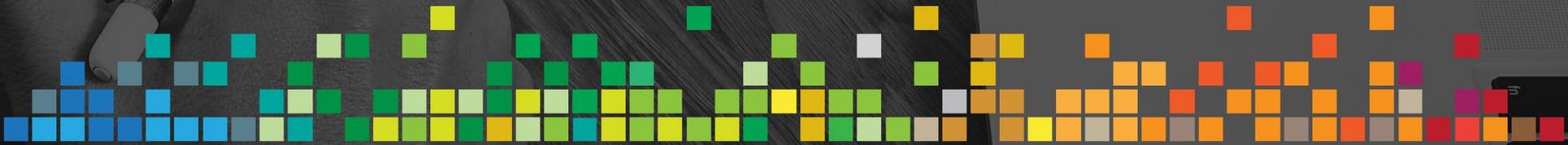
	% Using	B2B Product	B2B Services	B2C Product	B2C Services
Brand awareness and brand building	46.1%	45.3%	48.9%	45.6%	43.9%
Acquiring new customers	31.4%	27.0%	30.4%	36.8%	40.4%
Introducing new products and services	28.9%	29.9%	27.4%	35.1%	24.6%
Retaining current customer	28.4%	26.3%	24.4%	33.3%	38.6%
Brand promotions (e.g., contests, coupons)	28.4%	27.7%	27.4%	38.6%	22.8%
Improving employee engagement	20.1%	17.5%	23.0%	15.8%	24.6%
Marketing research	14.7%	12.4%	14.8%	17.5%	17.5%
Identifying new customer groups you currently don't target	13.7%	14.6%	14.1%	15.8%	8.8%
Identifying new product and service opportunities	11.1%	8.8%	14.8%	7.0%	12.3%
Improving current products or services	7.2%	6.6%	8.9%	5.3%	7.0%

Topic 6

# Mobile Marketing

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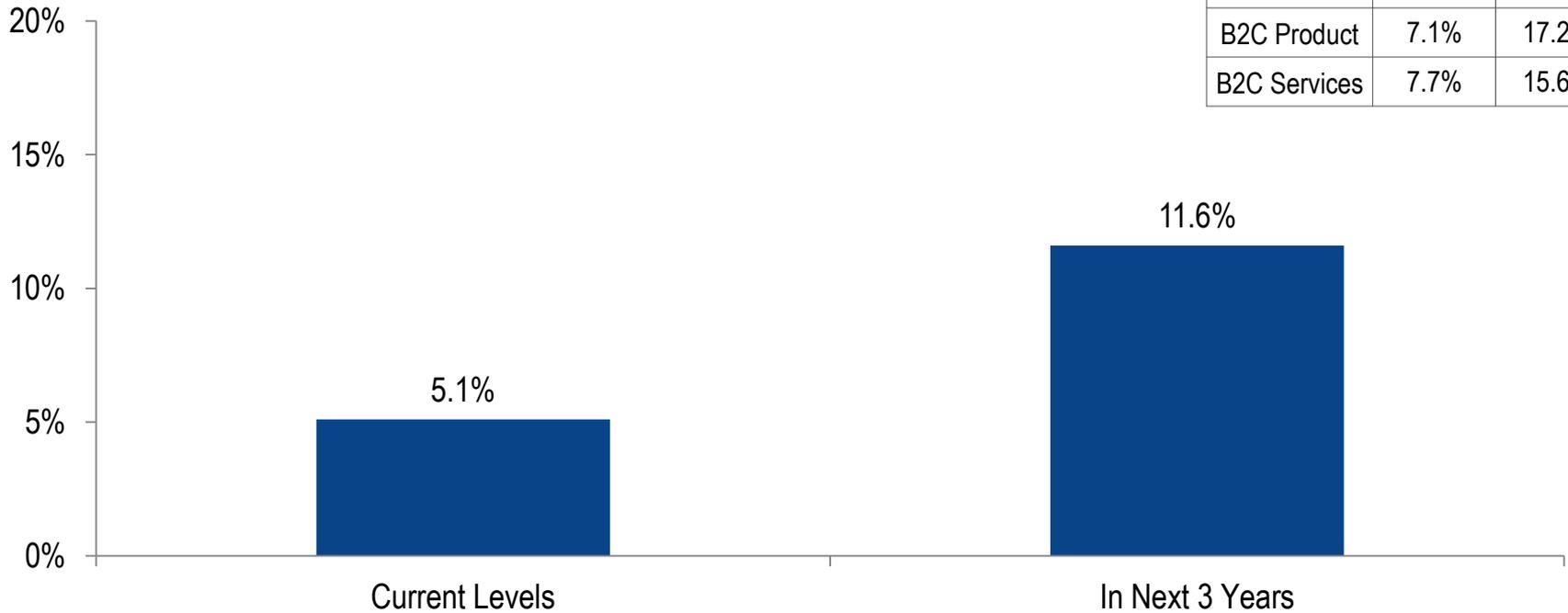
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# Marketing spend on mobile expected to increase 127% in three years

Marketplace	Growth	Spending	Performance	Social Media	Mobile	Jobs	Organization	Leadership	Analytics
-------------	--------	----------	-------------	--------------	--------	------	--------------	------------	-----------

**Figure 6.1. Percent of marketing budget spend on mobile**

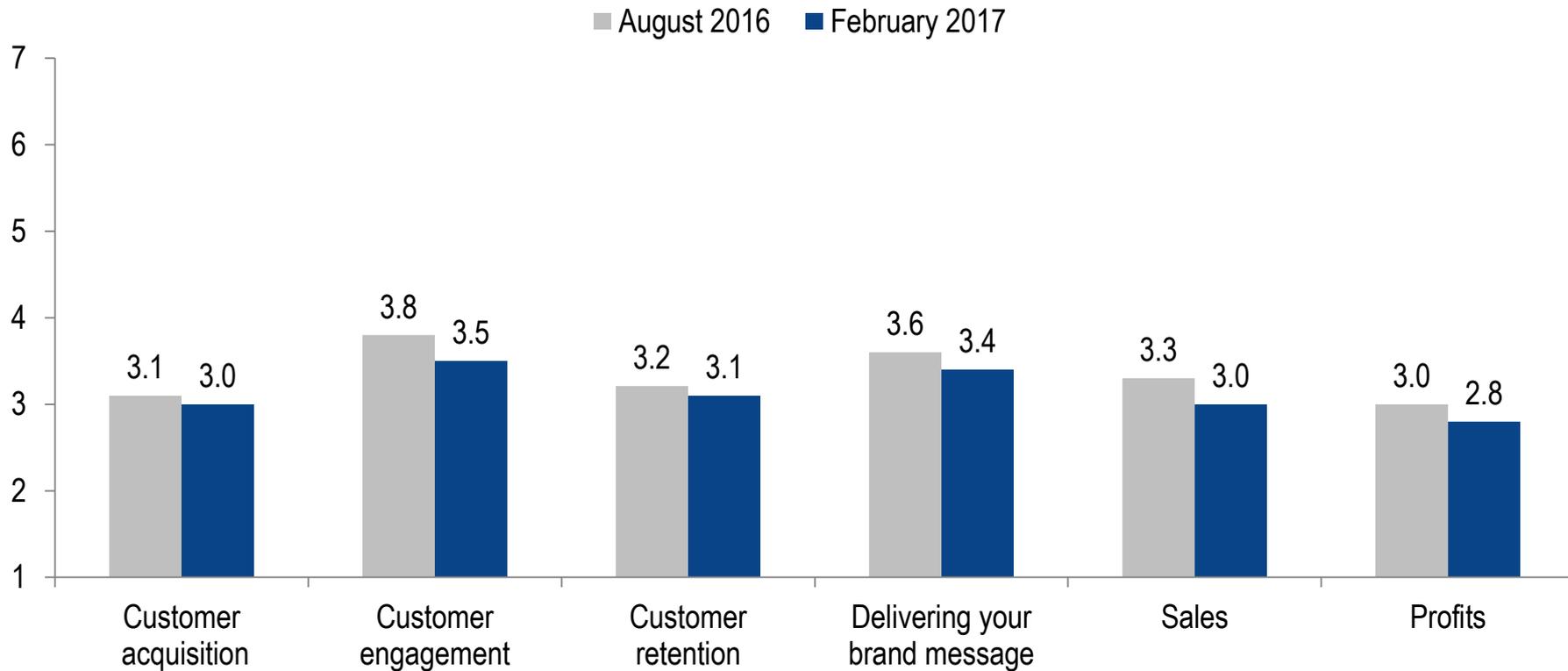


	Now	3 years
Overall	5.1%	11.6%
B2B Product	3.6%	9.1%
B2B Services	4.9%	10.1%
B2C Product	7.1%	17.2%
B2C Services	7.7%	15.6%

# Mobile marketing performance decreases on key metrics

Marketplace	Growth	Spending	Performance	Social Media	Mobile	Jobs	Organization	Leadership	Analytics
-------------	--------	----------	-------------	--------------	--------	------	--------------	------------	-----------

**Figure 6.2.** Rate the performance of your company's mobile marketing activities (7-point scale where 1=Poor, 7=Excellent)



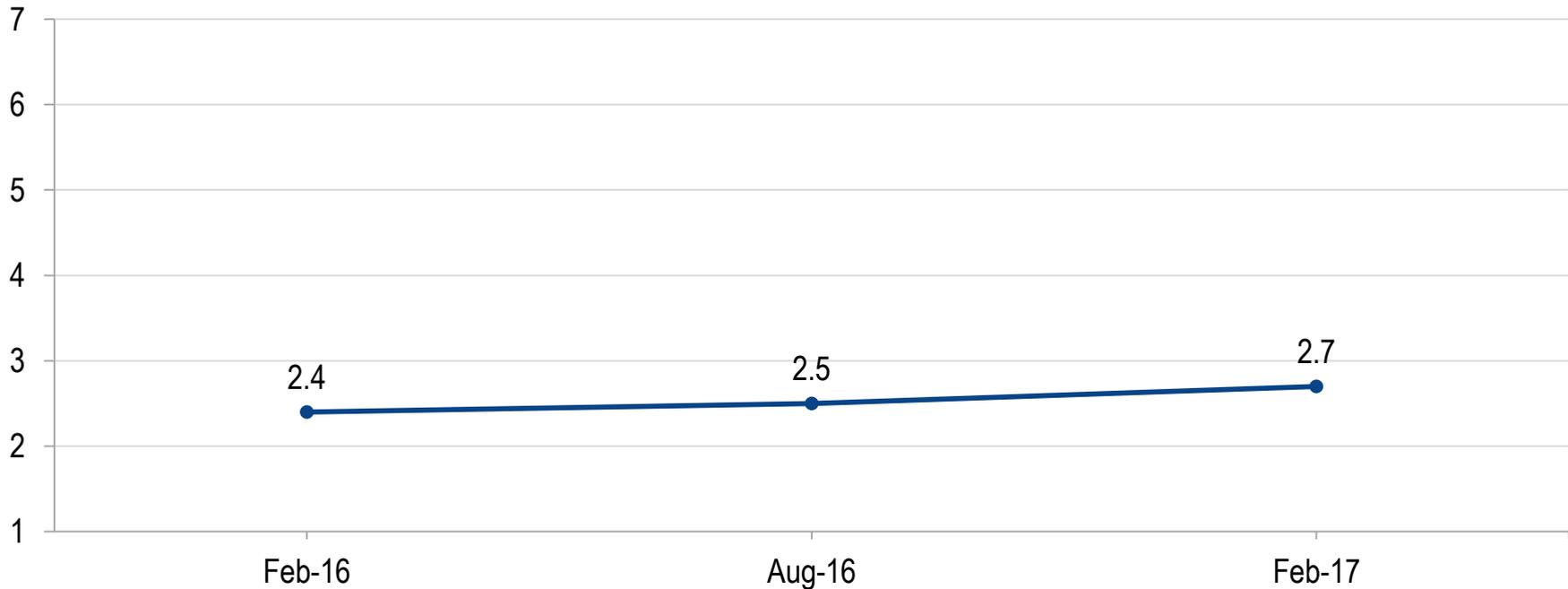
# Mobile shows slight gain in contribution to company performance; still too low

Marketplace	Growth	Spending	Performance	Social Media	Mobile	Jobs	Organization	Leadership	Analytics
-------------	--------	----------	-------------	--------------	--------	------	--------------	------------	-----------

**Figure 6.3.** To what degree does the use of mobile marketing contribute to your company's performance? (1=Not at all, 7=Very highly)

	Feb-16	Aug-16	Feb-17
B2B Product	2.0	2.3	2.2
B2B Services	2.4	2.3	2.6
B2C Product	3.0	3.1	3.4
B2C Services	2.8	3.2	3.1

—● Overall Company Performance



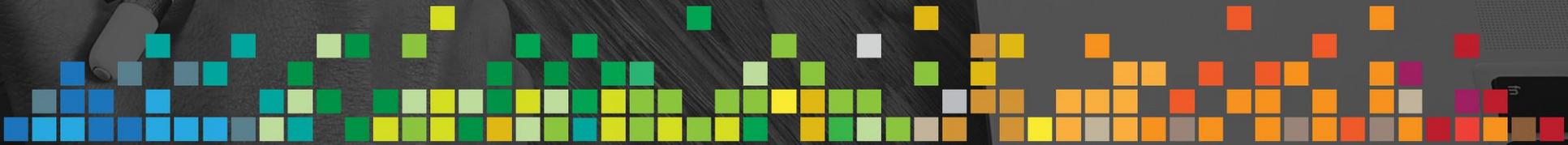


Topic 7

# Marketing Jobs

The **CMO** Survey

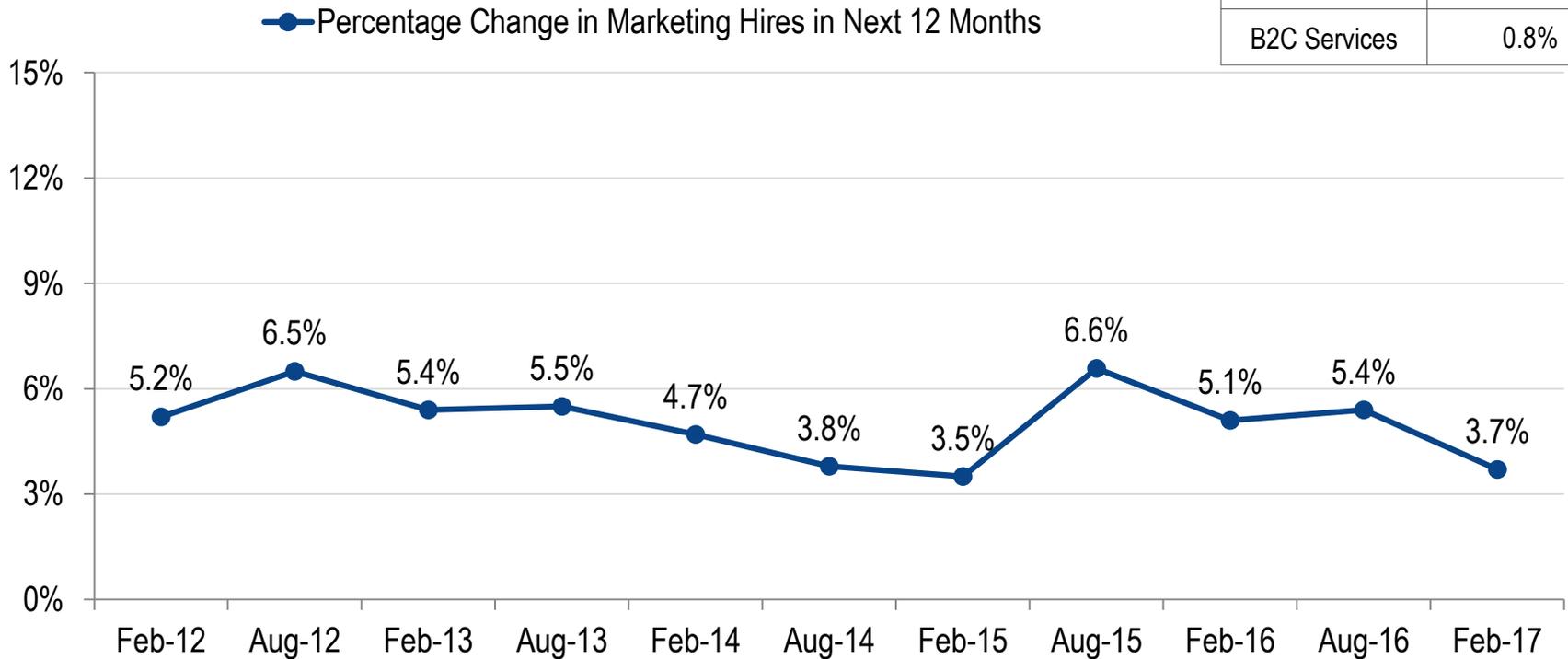
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# Positive but declining forecast in marketing hires planned in next year

**Figure 7.1. Percentage change in marketing hires planned in next 12 months**

Overall	3.7%
B2B Product	4.2%
B2B Services	4.3%
B2C Product	3.7%
B2C Services	0.8%



# Marketing outsourcing expected to increase 4.1% in next year

Marketplace	Growth	Spending	Performance	Social Media	Mobile	<b>Jobs</b>	Organization	Leadership	Analytics
-------------	--------	----------	-------------	--------------	--------	-------------	--------------	------------	-----------

Percentage change in outsourcing of marketing in next 12 months (Overall mean = 4.1%, SD = 11.5)

**Table 7.1a. Industry sector differences**

Sector	Mean
Banking/Finance/Insurance	7.4%
Communications/Media	5.3%
Consumer Packaged Goods	0.5%
Consumer Services	4.0%
Education	10.0%
Healthcare	5.5%
Manufacturing	0.9%
Mining/Construction	12.5%
Retail/Wholesale	7.1%
Service/Consulting	0.1%
Tech Software Biotech	2.6%
Transportation	5.0%

**Table 7.1b. Firm sector differences**

Sector	Mean
B2B Product	3.6%
B2B Services	6.0%
B2C Product	2.3%
B2C Services	2.6%

**Table 7.1c. Firm Internet sales differences**

Firm sales	Mean
0% of sales	3.4%
1-10% of sales	5.8%
>10% of sales	2.7%

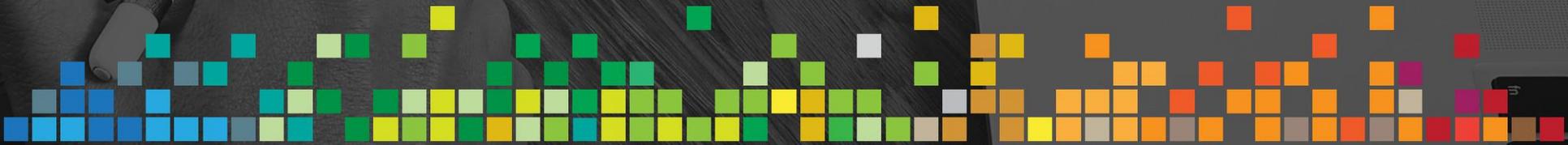
Energy and Pharmaceuticals are not displayed due to too few respondents

Topic 8

# Marketing Organization

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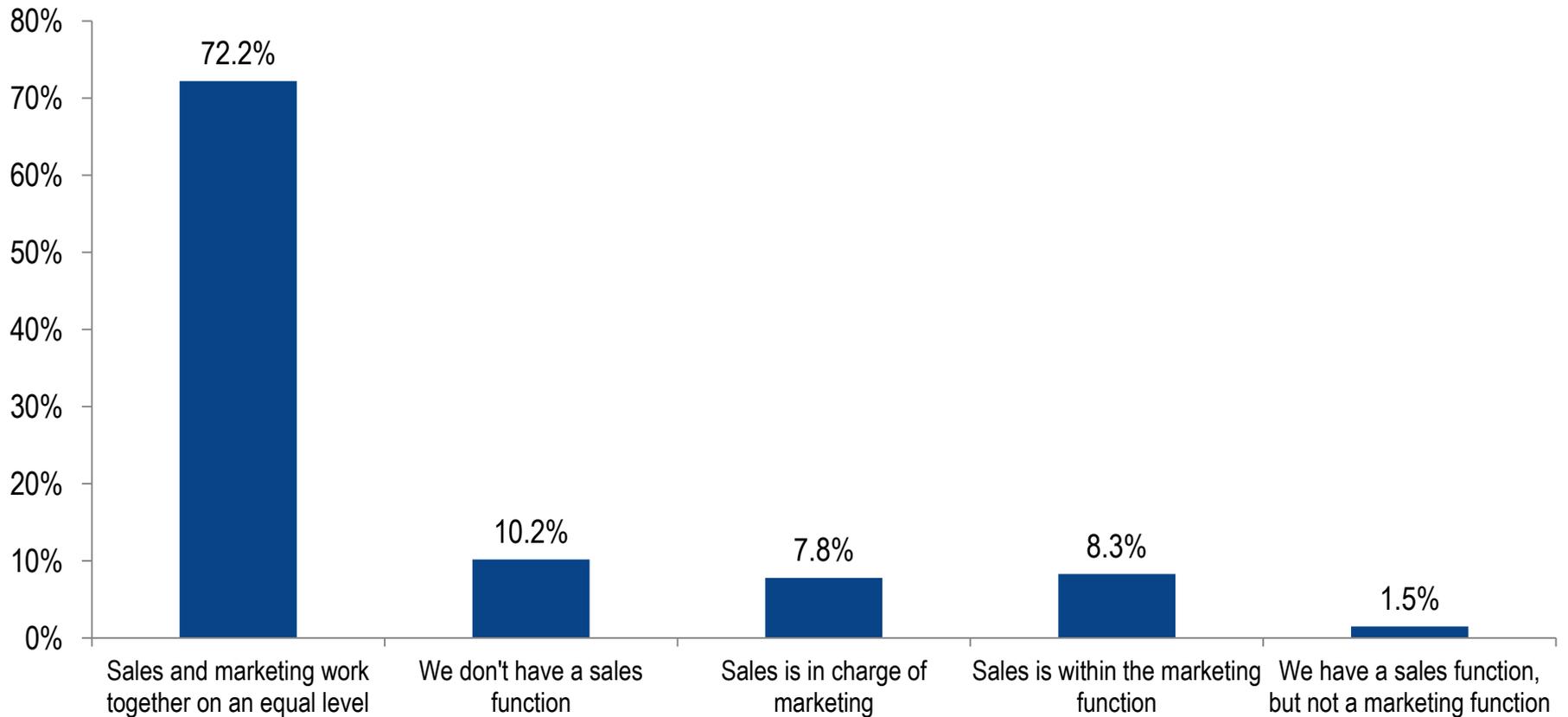
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# Marketing and sales are equal partners in most companies

Marketplace	Growth	Spending	Performance	Social Media	Mobile	Jobs	Organization	<b>Leadership</b>	Analytics
-------------	--------	----------	-------------	--------------	--------	------	--------------	-------------------	-----------

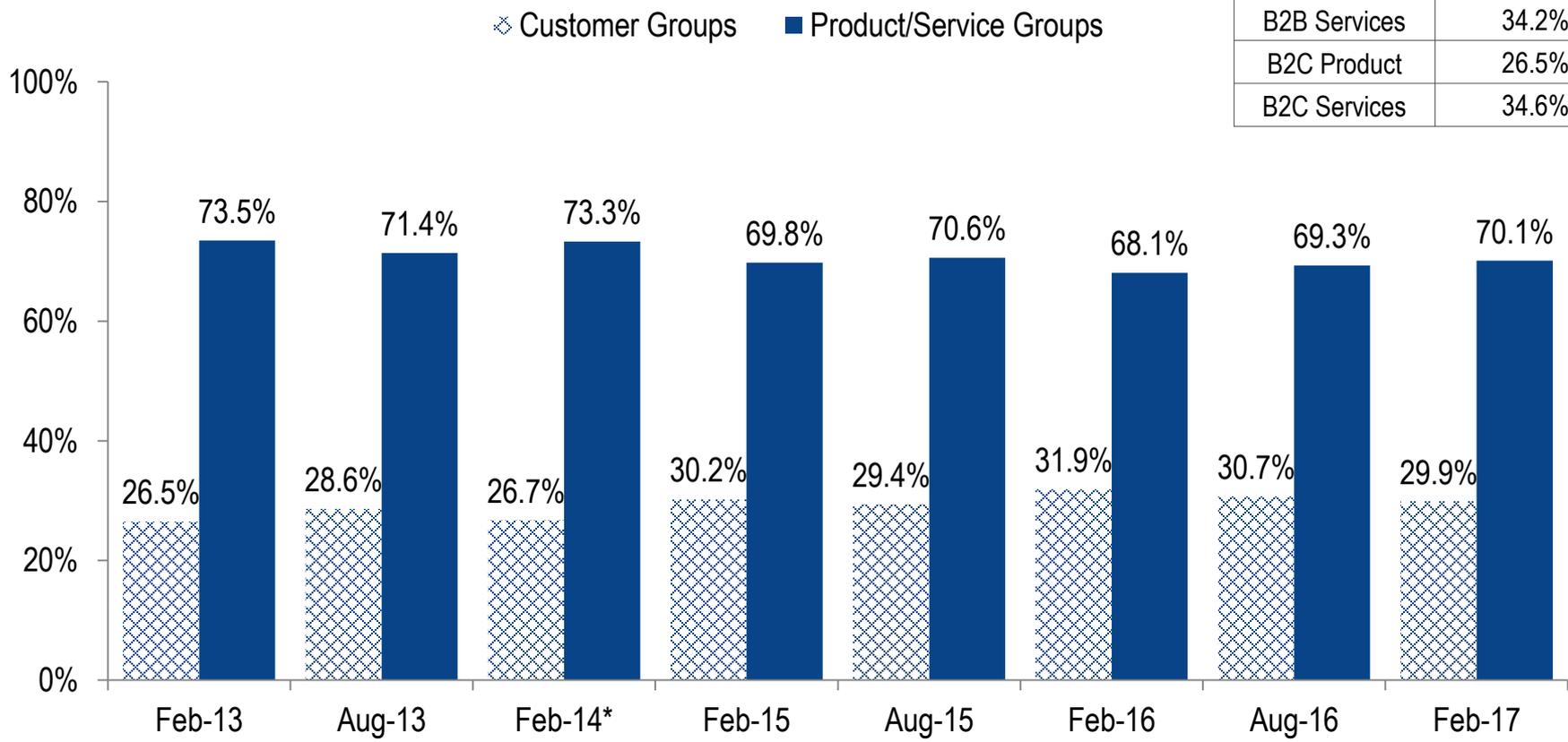
**Figure 8.1. The marketing-sales relationship (% of respondents)**



# Product / service structure remains dominant

**Figure 8.2. Organizational structure in companies**

	% customer groups
Overall	29.9%
B2B Product	25.4%
B2B Services	34.2%
B2C Product	26.5%
B2C Services	34.6%



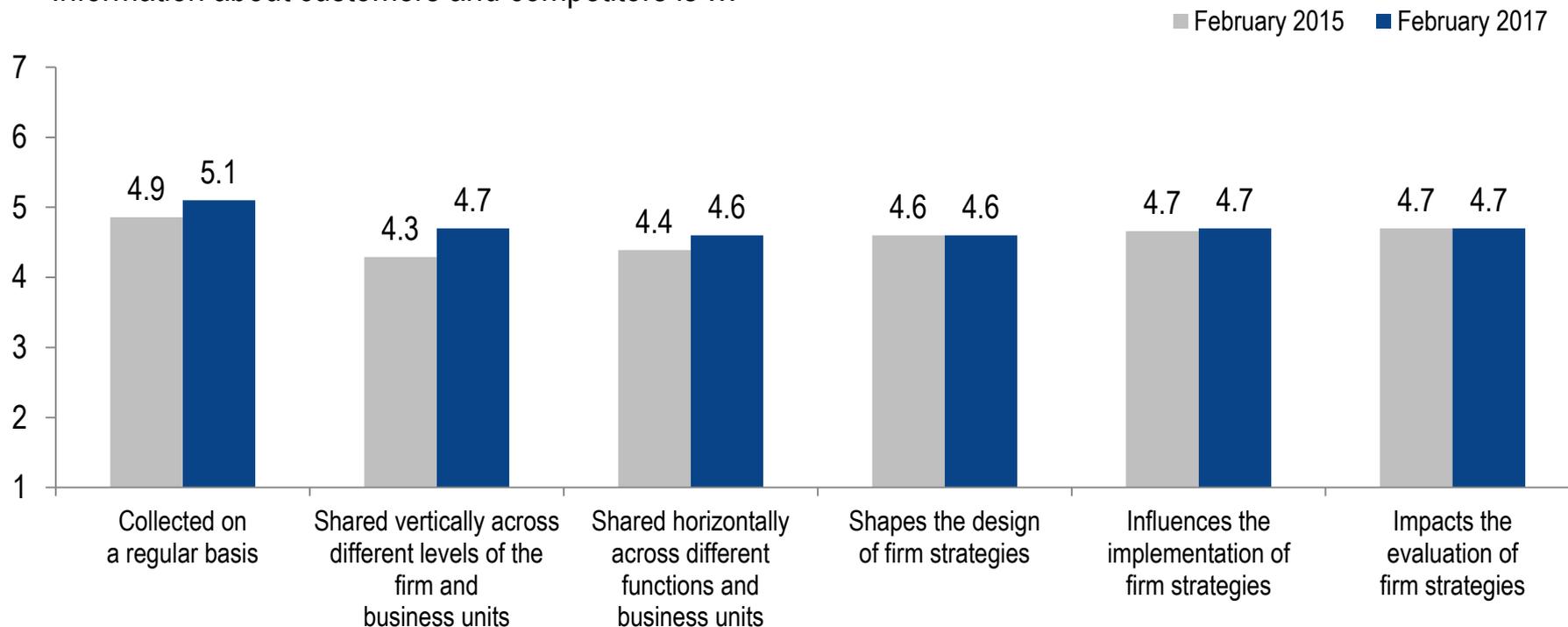
\*Question not asked in Aug-14.

# External information sharing increases in companies

Marketplace	Growth	Spending	Performance	Social Media	Mobile	Jobs	Organization	<b>Leadership</b>	Analytics
-------------	--------	----------	-------------	--------------	--------	------	--------------	-------------------	-----------

**Figure 8.3. Company market focus approach to strategy** (1 = “Not at all” and 7 = “All the time”)

Information about customers and competitors is ...



\* Question asked irregularly. Showing most recent data.

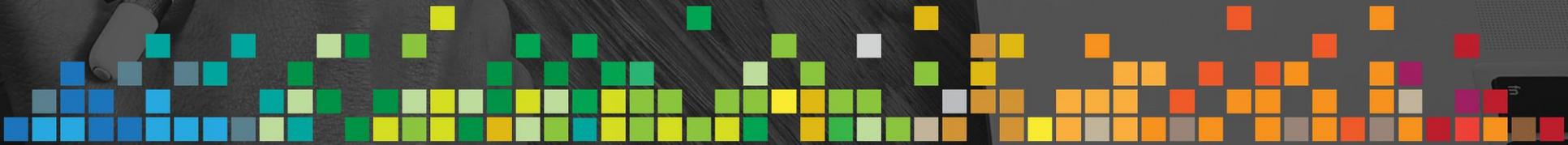


Topic 9

# Marketing Leadership

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# Marketing leadership losses outweigh gains

Marketplace	Growth	Spending	Performance	Social Media	Mobile	Jobs	Organization	Leadership	Analytics
-------------	--------	----------	-------------	--------------	--------	------	--------------	------------	-----------

**Table 9.1. Percentage of companies in which marketing leads activity**

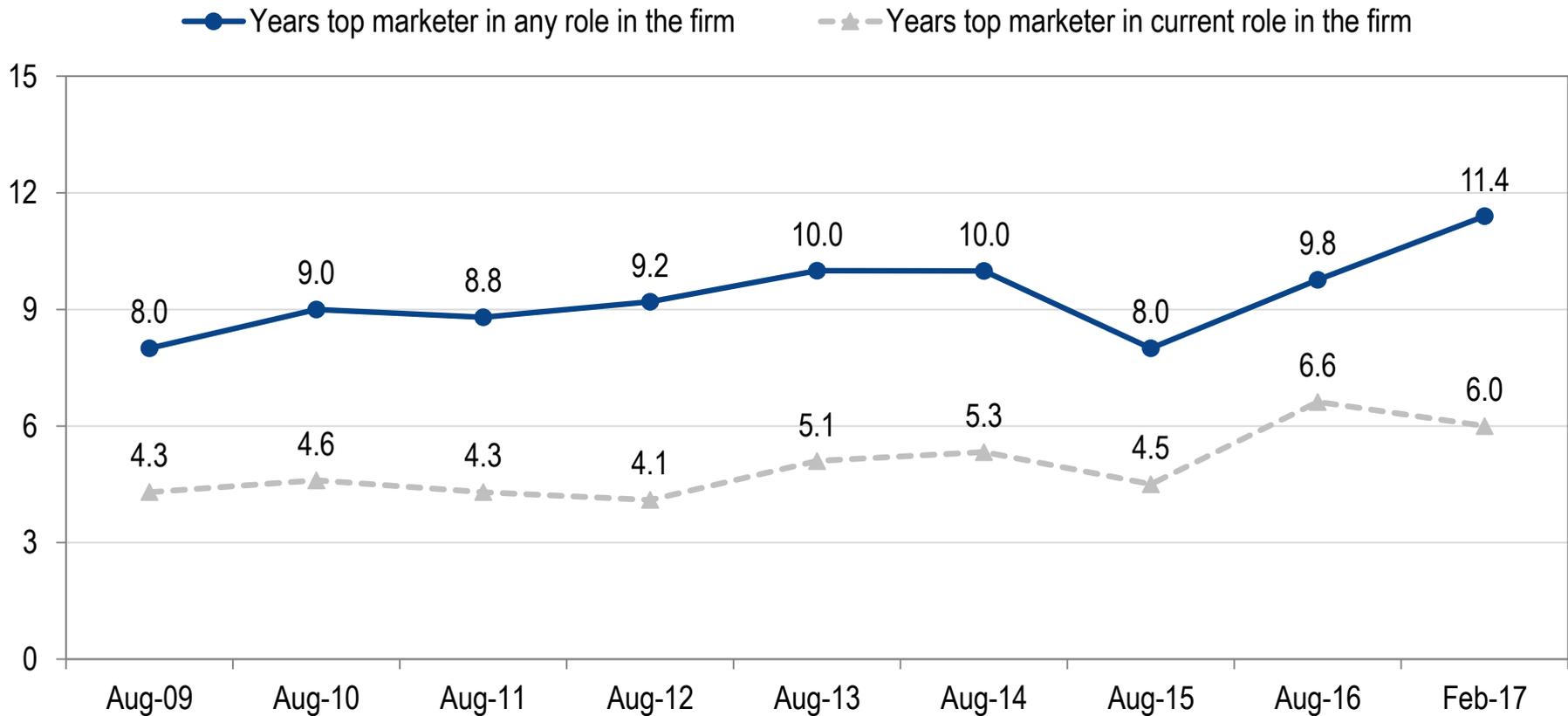
Activity	Aug-15	Feb-16	Aug-16	Feb-17**
Brand	82.1%	87.5%	89.4%	86.5%
Social media	79.5%	83.9%	75.7%	76.8%
Advertising	82.7%	82.1%	79.2%	76.3%
Public relations	64.1%	64.9%	65.5%	70.0%
Promotion	76.3%	76.2%	73.3%	69.1%
Positioning	80.1%	75.6%	67.8%	67.6%
Marketing research	70.5%	70.2%	67.1%	59.9%
Lead generation	55.8%	62.5%	60.8%	58.5%
Marketing analytics	75.0%	79.2%	69.0%	57.5%
Competitive intelligence	55.1%	56.5%	54.5%	42.0%
CRM	39.1%	37.5%	42.0%	41.1%
Market entry strategies	55.8%	46.4%	43.5%	35.3%
Revenue growth*	-	-	38.4%	34.3%
New products	37.8%	36.3%	40.0%	32.4%
Pricing	30.8%	32.1%	33.7%	26.6%
Innovation	23.1%	28.6%	29.8%	26.6%
e-commerce*	-	-	35.7%	23.7%
Market selection	30.1%	29.8%	32.9%	23.7%
Sales	32.1%	25.0%	24.7%	21.3%
Customer service	19.9%	17.3%	18.0%	12.6%
Distribution	12.2%	9.5%	10.2%	5.8%
Stock market performance	3.8%	1.8%	2.7%	0.5%

\*Revenue growth and e-commerce were added in Aug-16.  
 \*\*Red reflects a decrease and Green reflects an increase of more than 2 percent between Aug-16 and Feb 17.

# Marketing leader retention (6.0 years) while total tenure at all-time high (11.4 years)

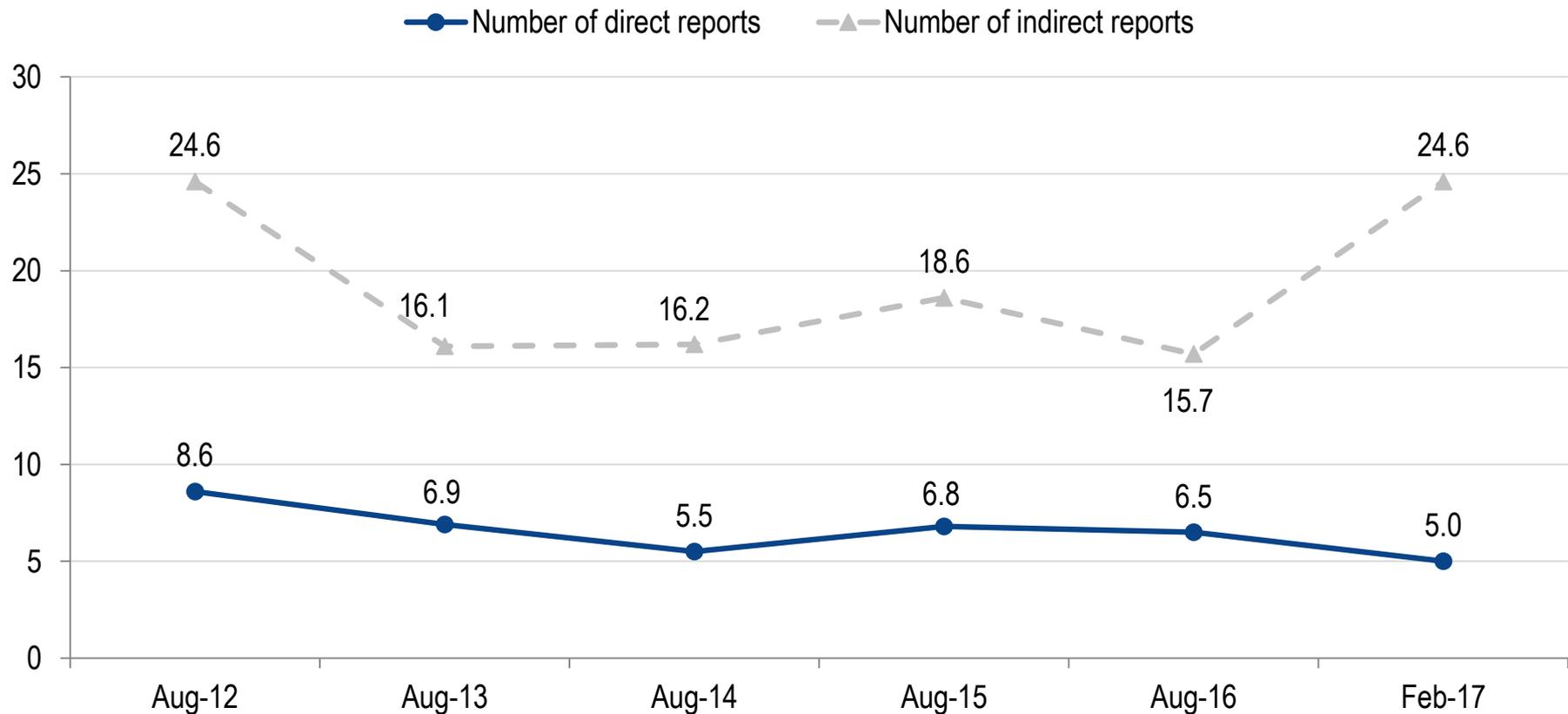
Marketplace	Growth	Spending	Performance	Social Media	Mobile	Jobs	Organization	<b>Leadership</b>	Analytics
-------------	--------	----------	-------------	--------------	--------	------	--------------	-------------------	-----------

**Figure 9.1. Marketing leader retention**



# Direct reports decreases while indirect reports show significant growth

**Figure 9.2. Number of people reporting to top marketers\***

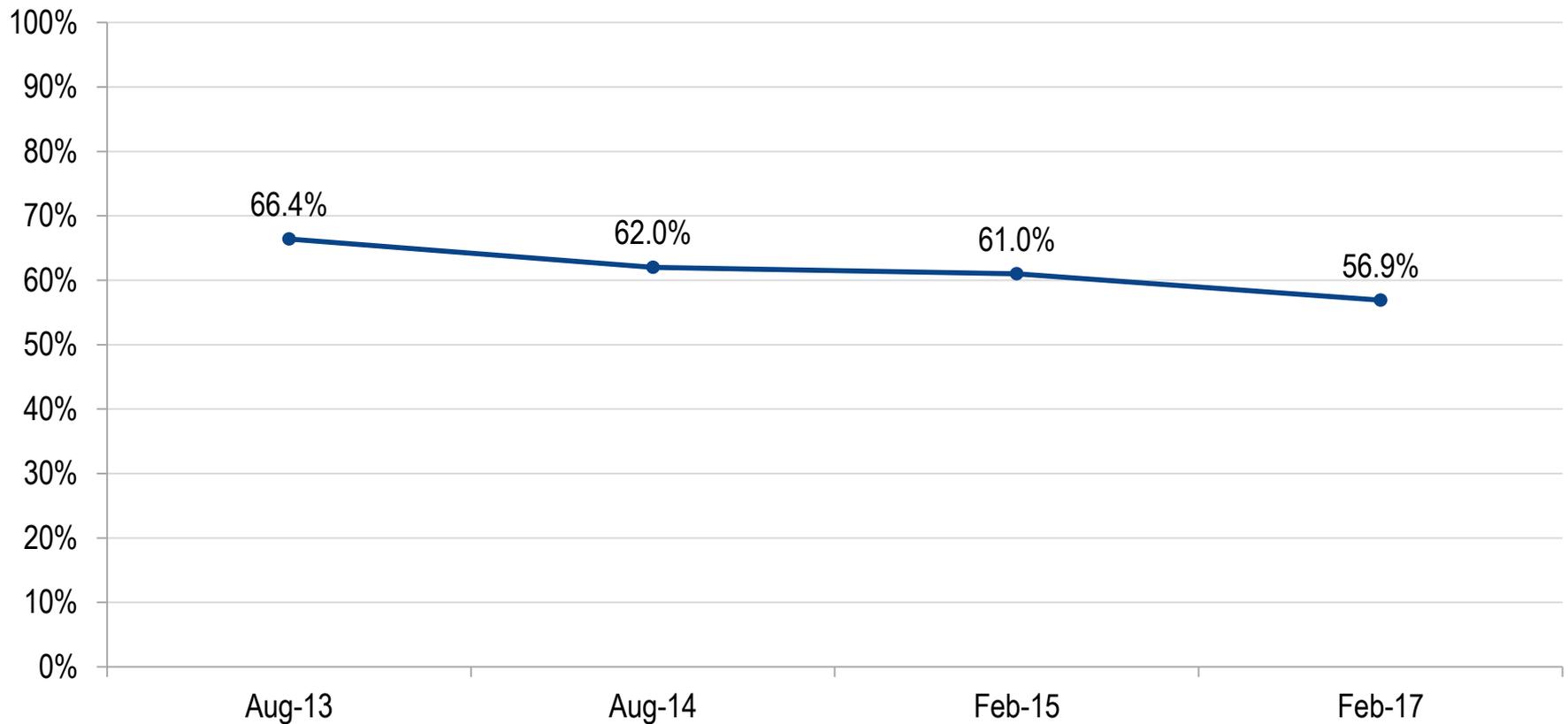


\*Aug-15 are revised from Highlights and Insights Feb-16 where the median levels were reported instead of mean levels.

# Marketers experience less pressure to prove the value of marketing over time

Marketplace	Growth	Spending	Performance	Social Media	Mobile	Jobs	Organization	Leadership	Analytics
-------------	--------	----------	-------------	--------------	--------	------	--------------	------------	-----------

**Figure 9.3. Percent of CMOs reporting pressure from CEO or Board to prove the value of marketing\***



\*Question asked irregularly. A complete time series of available data is shown.

# Leading practices from marketing leaders

See full interviews at <https://cmosurvey.org/cmo-insights/>

The **CMO** Survey



Senior Vice President and Chief Marketing Officer Beth Comstock discusses how GE approaches marketing: “You have to create a platform that invites innovative ideas.” This platform involves four capabilities that have produced an array of new products, services, customers, and business models.



Chief Marketing Officer Kim Feil discusses how she built a marketing function. From insights to accountability, she describes the organization, processes, metrics, and talent management strategies important to this effort.



Executive Vice President and Chief Marketing Officer Geert van Kuyck shares ideas on building an essential skill set for CMOs and the importance of defining the CMO’s mission. He discusses the use of the Net Promoter Score and other metrics to evaluate business results at Philips, touching on Philips’ engagement with LinkedIn and social media metrics.



Executive Vice President and Chief Marketing Officer Stephen Quinn describes how Walmart rebuilt its customer focus. Key steps involved harnessing internal support, generating market insight, using customer-focused metrics, living the brand internally, and building marketing talent.



Global Marketing Officer Marc Pritchard shares views on how marketing contributes to P&G’s performance. He talks about how P&G learns about customers and how it is relentless in its attention to building loyal customers and strong brands in the store, on the web, and around the world.

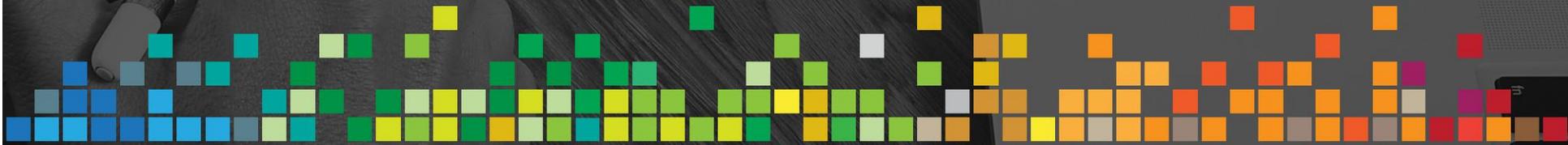


Topic 10

# Marketing Analytics

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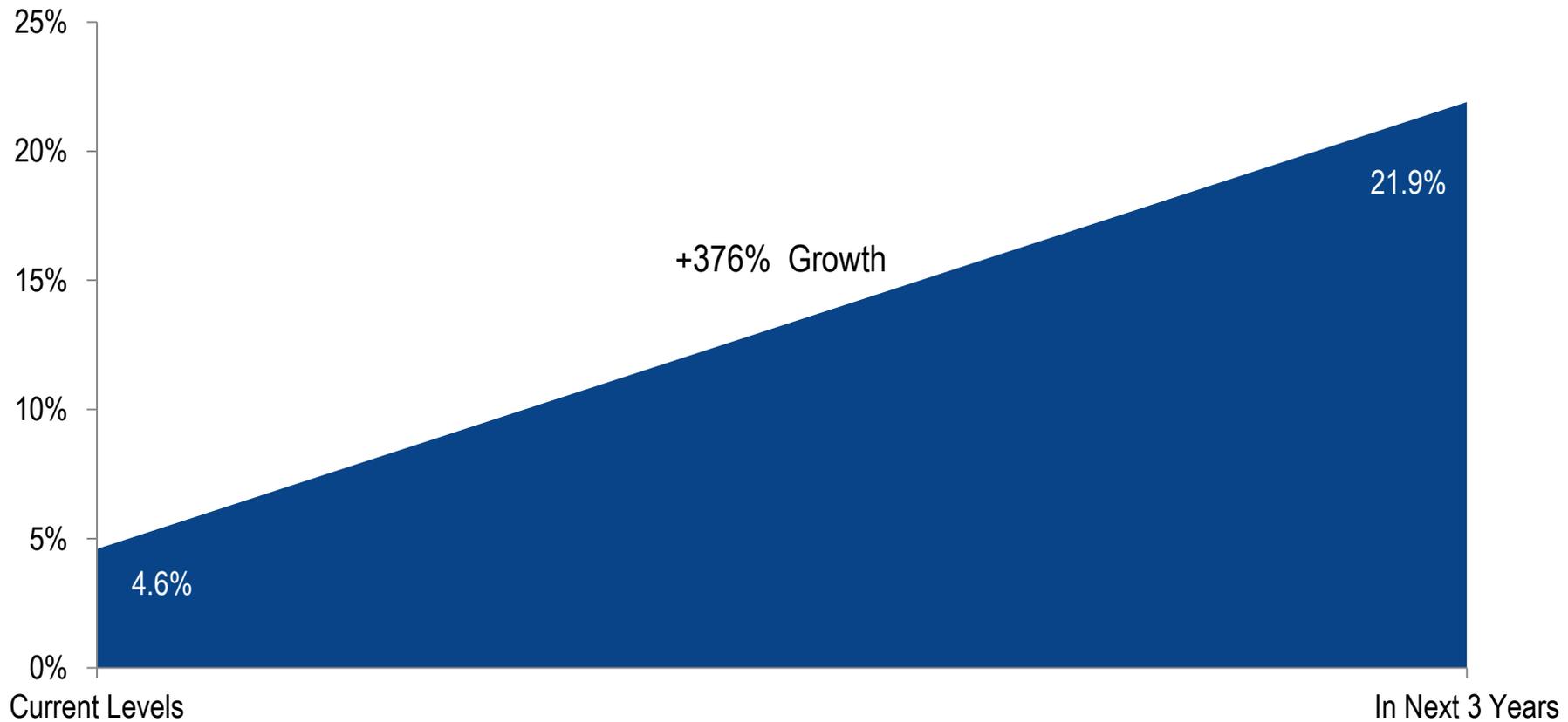
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# Spending on marketing analytics forecasted to increase 376% in three years

Marketplace	Growth	Spending	Performance	Social Media	Mobile	Jobs	Organization	Leadership	Analytics
-------------	--------	----------	-------------	--------------	--------	------	--------------	------------	-----------

**Figure 10.1. Percent of marketing budget spent on marketing analytics**



# Spending on marketing analytics by firm and industry characteristics

**Table 10.1a. Firm sector differences**

	Current	In Next 3 years
B2B Product	4.7	20.9
B2B Services	4.9	21.2
B2C Product	3.5	26.9
B2C Services	4.3	20.6

**Table 10.1c. Firm size differences**

	Current	In Next 3 years
<\$25M	4.7	17.8
\$26-99M	4.1	15.0
\$100-499M	4.8	23.3
\$500-999M	3.6	18.1
\$1-9.9B	5.2	32.4
\$10+B	4.1	29.4

**Table 10.1b. Firm Internet sales differences**

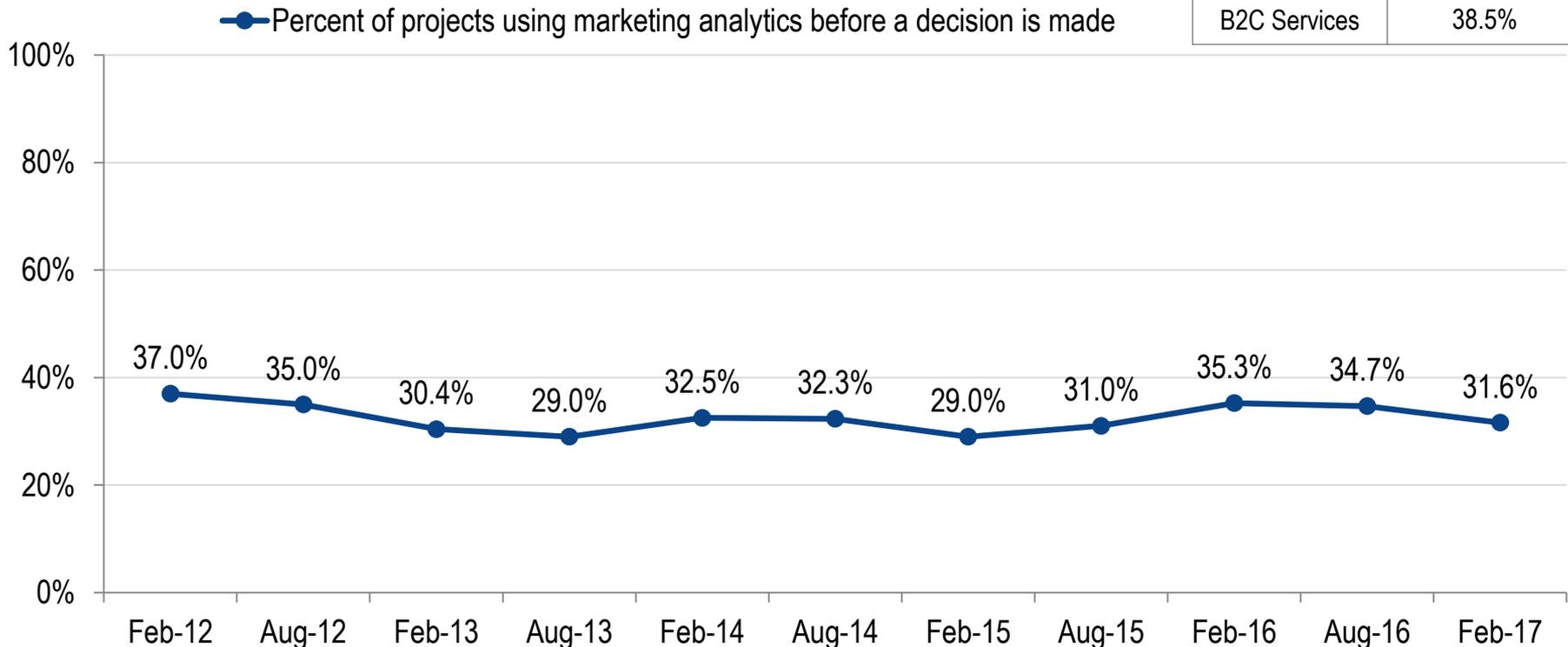
	Current	In Next 3 years
0%	4.3	25.7
1-10%	3.9	20.9
>10%	5.9	15.9

# No improvement in use of marketing analytics: B2C companies biggest users

Marketplace	Growth	Spending	Performance	Social Media	Mobile	Jobs	Organization	Leadership	Analytics
-------------	--------	----------	-------------	--------------	--------	------	--------------	------------	-----------

**Figure 10.2. Use of marketing analytics in decision making\***

Overall	31.6%
B2B Product	31.0%
B2B Services	29.0%
B2C Product	33.2%
B2C Services	38.5%

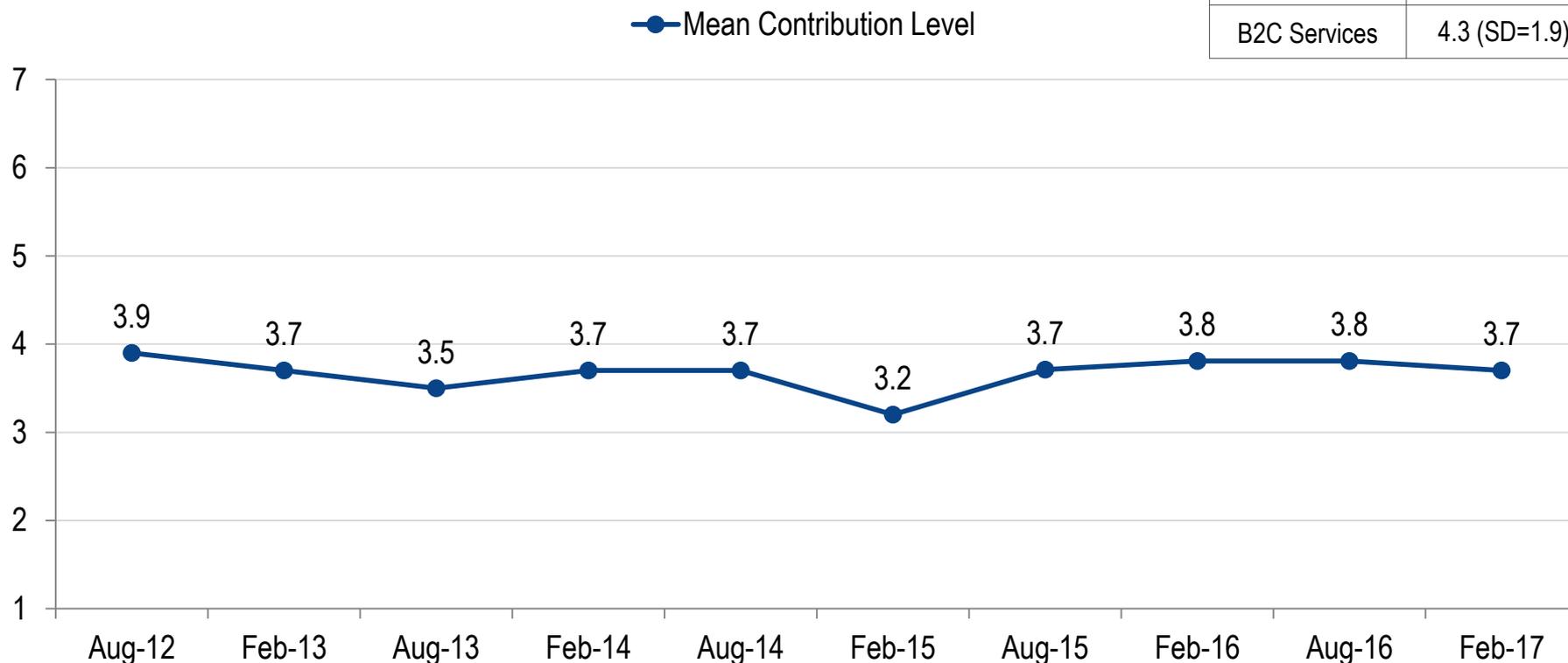


\*This question was asked in Feb-12 for the first time.

# Contribution of marketing analytics remains low

**Figure 10.3.** To what degree does the use of marketing analytics contribute to your company's performance? (1 = Not at all, 7 = Very highly)

Overall	3.8 (SD=1.8)
B2B Product	3.8 (SD=1.8)
B2B Services	3.4 (SD=1.8)
B2C Product	4.6 (SD=1.6)
B2C Services	4.3 (SD=1.9)

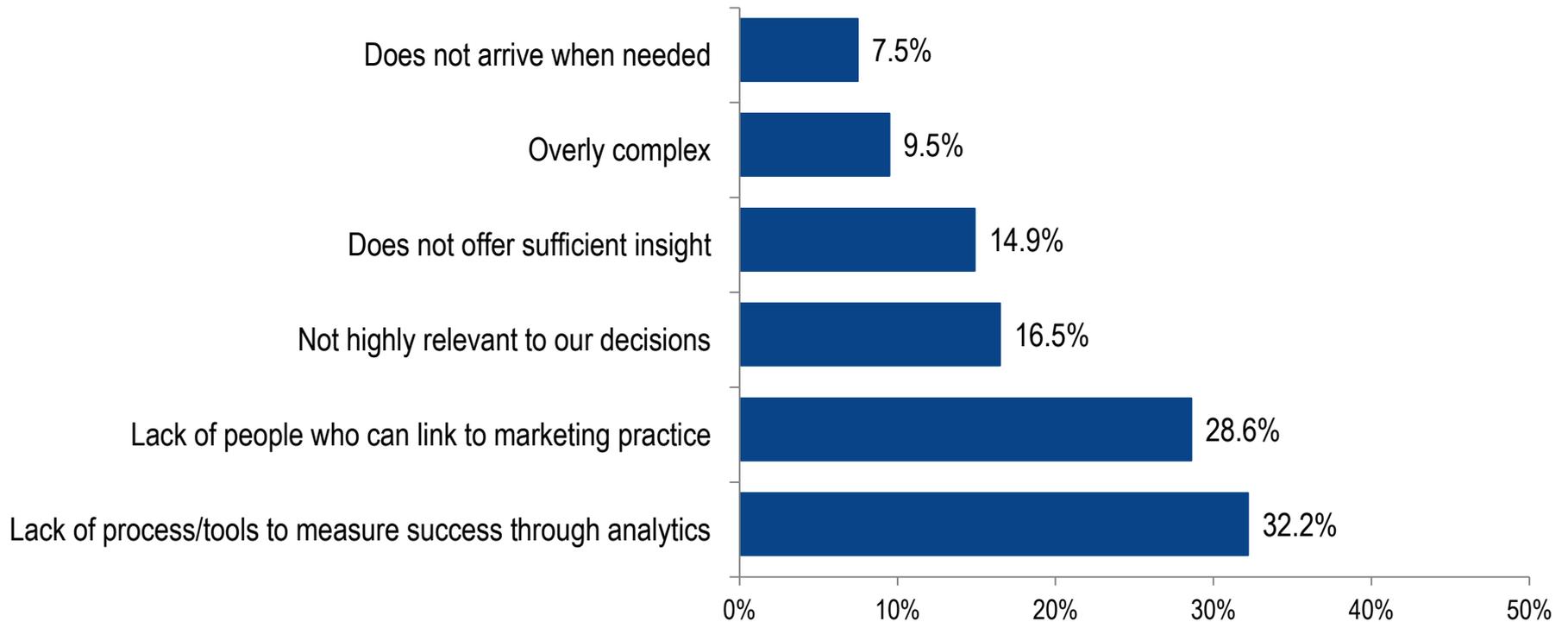


\*This question was asked in Aug-12 for the first time.

# Process and people failures largest disruptors of marketing analytics use

Marketplace	Growth	Spending	Performance	Social Media	Mobile	Jobs	Organization	Leadership	Analytics
-------------	--------	----------	-------------	--------------	--------	------	--------------	------------	-----------

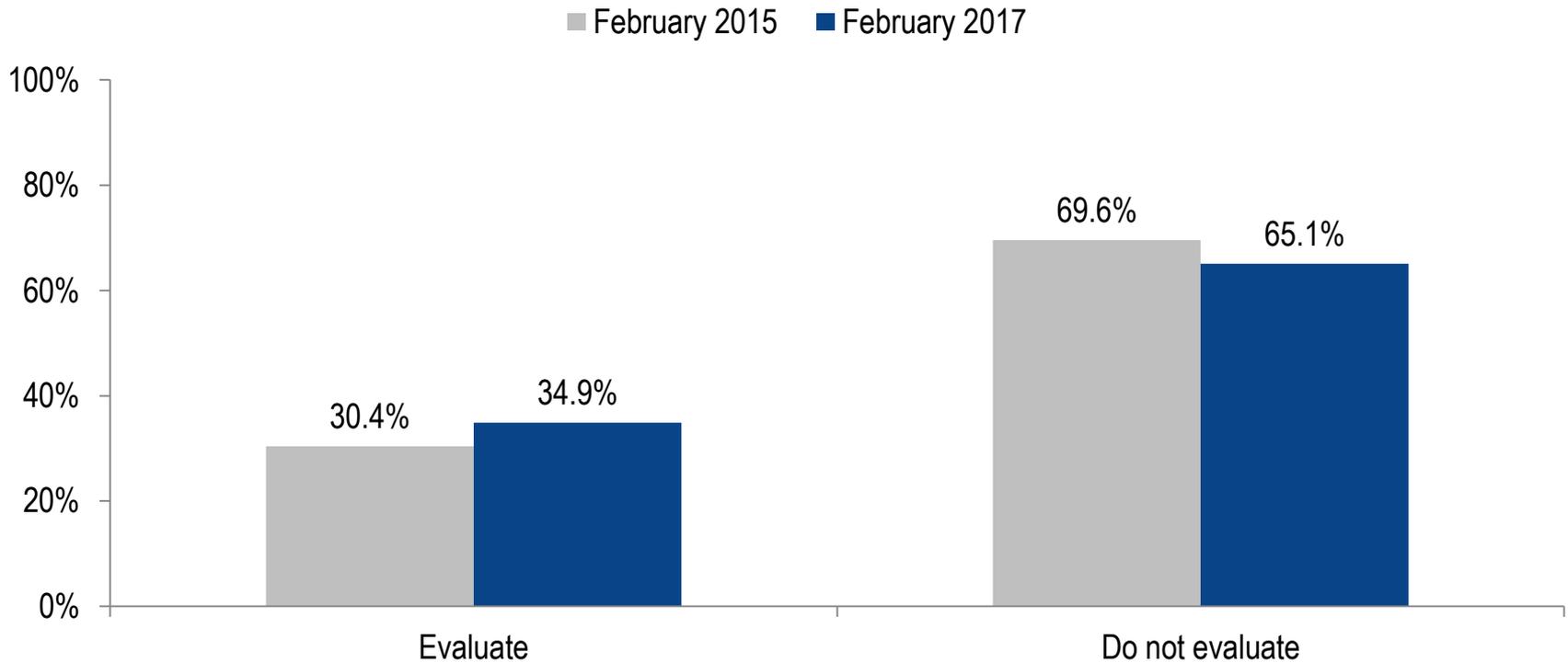
**Figure 10.4. What factors prevent your company from using more marketing analytics?**



# Most firms do not evaluate quality of marketing analytics

Marketplace	Growth	Spending	Performance	Social Media	Mobile	Jobs	Organization	Leadership	Analytics
-------------	--------	----------	-------------	--------------	--------	------	--------------	------------	-----------

**Figure 10.5.** Does your company formally evaluate the quality of marketing analytics?



# Marketing analytics contributions by sector and firm differences

Marketplace	Growth	Spending	Performance	Social Media	Mobile	Jobs	Organization	Leadership	Analytics
-------------	--------	----------	-------------	--------------	--------	------	--------------	------------	-----------

**Table 10.2.** To what degree does the use of marketing analytics contribute to your company's performance? (1=Not at all, 7=Very highly)

**Table 10.2a.** Industry sector differences

Sector*	Mean
Banking/Finance/Insurance	3.1
Communications/Media	4.2
Consumer Packaged Goods	4.4
Consumer Services	5.9
Education	5.4
Healthcare	3.9
Manufacturing	3.6
Mining/Construction	2.3
Retail/Wholesale	3.3
Service/Consulting	3.1
Tech Software Biotech	3.9
Transportation	3.5

**Table 10.2b.** Firm sector differences

Sector	Mean
B2B Product	3.7
B2B Services	3.6
B2C Product	4.0
B2C Services	4.1

**Table 10.2c.** Firm Internet sales differences

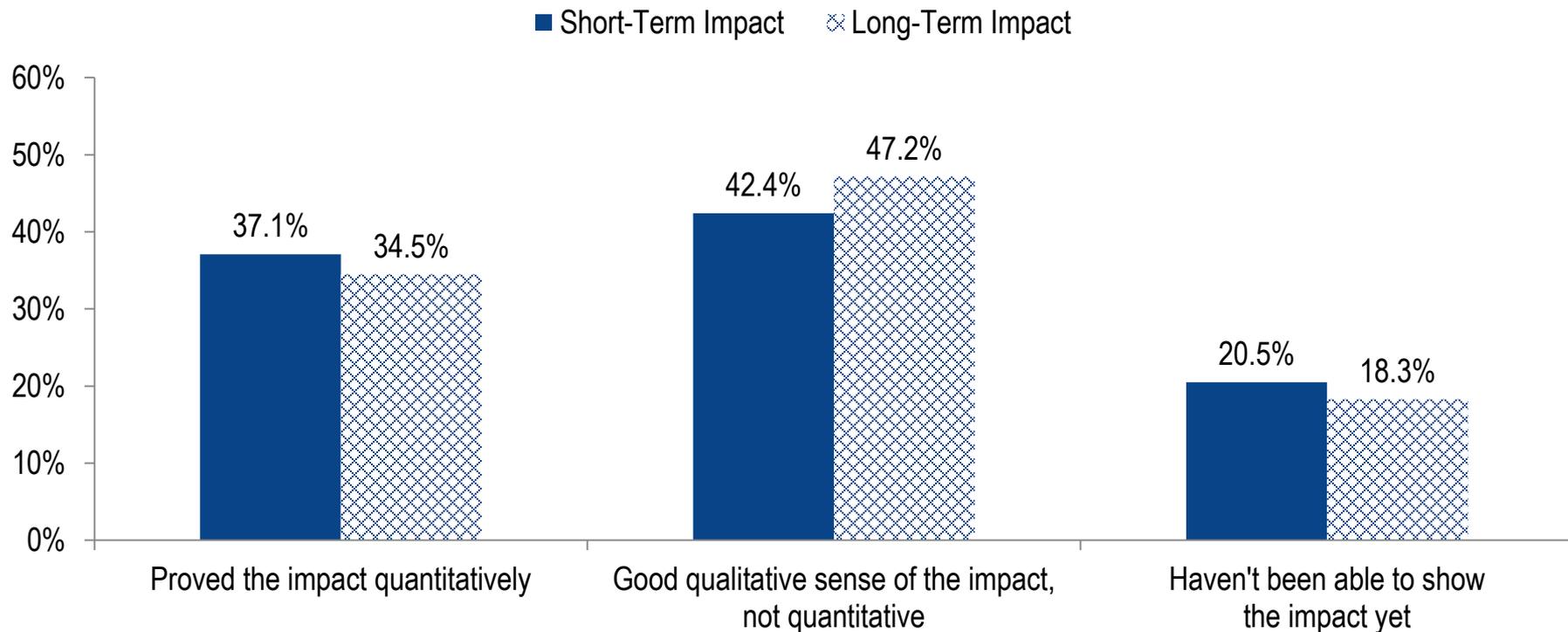
Firm sales	Mean
0% of sales	3.3
1-10% of sales	3.8
>10% of sales	4.2

\*Energy and Pharmaceuticals are not displayed due to too few respondents.

# Most firms lack quantitative metrics to demonstrate marketing spending impact

Marketplace	Growth	Spending	Performance	Social Media	Mobile	Jobs	Organization	Leadership	Analytics
-------------	--------	----------	-------------	--------------	--------	------	--------------	------------	-----------

**Figure 10.6. How companies demonstrate the impact of marketing spending**

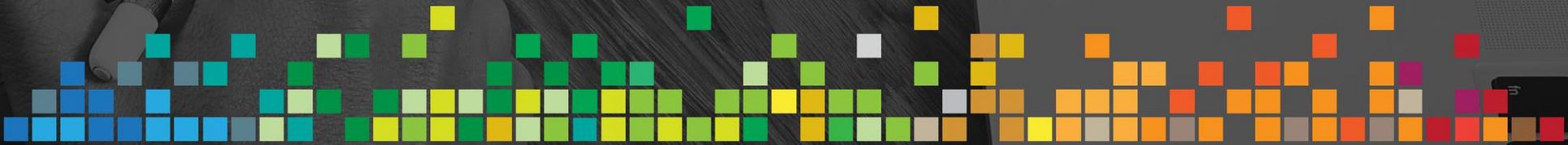


Topic 11

# The CMO Survey Award for Marketing Excellence

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# The 2017 CMO Survey Award for Marketing Excellence – Overall Winner



Participants were asked to nominate a company in response to the question:

**Which company across all industries sets the standard for excellence in marketing?**

Apple Inc.



*Apple has won this award for ten consecutive years. Christine Moorman's review of this accomplishment in 2012 still largely holds:*

<http://www.forbes.com/sites/christinemoorman/2012/07/10/why-apple-is-a-great-marketer/#7897d34b6cb0>



# The 2017 CMO Survey Award for Marketing Excellence – Industry Winners



Participants were asked to nominate a company in response to the question:

**Which company in your industry sets the standard for excellence in marketing?**



(Retail)



(Transportation)



(Consumer Packaged Goods)



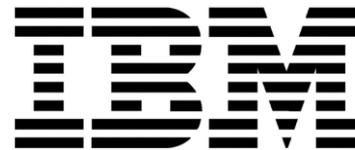
(Consumer Services)



(Manufacturing)



(Communications/Media)



(Consulting/Services)



(Consumer Goods)



**Next survey:** July 2017

**Participate:** Sign up [here](#)

**Media:** [Press release and coverage](#)

**Feedback:** Send comments to [moorman@duke.edu](mailto:moorman@duke.edu)