



Aligning marketing strategy, structure and capability for business growth

Key study findings
In-house presentations and workshops
Company specific benchmarking tool

KANTAR VERMEER

The most comprehensive marketing effectiveness initiative

The Marketing2020 challenge

In today's evolving digital world, what marketing does has changed beyond recognition, but how the function is organized has not changed much.

Looking toward the year 2020, many global marketing leaders are asking themselves how to ready their marketing organization to drive growth in a rapidly changing environment.

How to focus and organize marketing?

- What is the role brands and marketing should play?
- How should the marketing department be structured?
- How to build capabilities and equip marketers for success?
- What are winning CMO leadership skills, competencies and behaviors?

M2020: Global qualitative and quantitative study

Leveraging the insights and experiences of more than 250 CMO and peer interviews from a broad range of marketing organizations.

Quantitative survey with over 10,000 participants from 92 countries.



Marketing2020 Global Advisory Board



Keith Weed
CMO at Unilever



Antonio Lucio
Chief Brand Officer at Visa



Beth Comstock
CMO at GE



Jon Iwata
SVP Marketing & Communications, at IBM



Chris Burggraev
Executive in Residence at NYU



Rob Malcolm
Executive in Residence at Texas U

“I find it inspiring to hear what other companies are doing. And I’m continually thinking about how we tweak the marketing organization because the world is changing so fast. I don’t for a second suggest that we have all the answers, and I’m happy and willing to learn from others, hence my interest in being involved.”

Keith Weed - Chief Marketing & Communications Officer at Unilever

Framework for Marketing2020 effectiveness

Winning M2020 Brand Characteristics

We identified three characteristics of winning future brands: Identifying relevant Big Insights, establishing a clear and engaging Purposeful Positioning and creating brand value through a personalized, consistent and engaging Total Experience.



An Effective Marketing Organization

To build a future-proof marketing organization and unleash its full potential, five effectiveness drivers are critical: connecting with other functions, inspiring all employees with the brand purpose, focusing marketing efforts on key strategies and KPIs, organizing efficient processes and building their marketing excellence.

Identifying over- and under-performers

To identify winning brand and organizational characteristics, we divided respondents' organizations into over- and under-performers according to their revenue growth relative to competitors over the last three years.

Our methodology and classification was done in collaboration with an NYU Capstone analysis team and validated against publicly available revenue growth data.



What is on CMOs' mind: key M2020 opportunities & Challenges

In our interviews, CMOs' spoke about what energizes them about the marketing job of tomorrow and what keeps them awake at night. Interestingly, the latter are mostly internal organizational challenges:



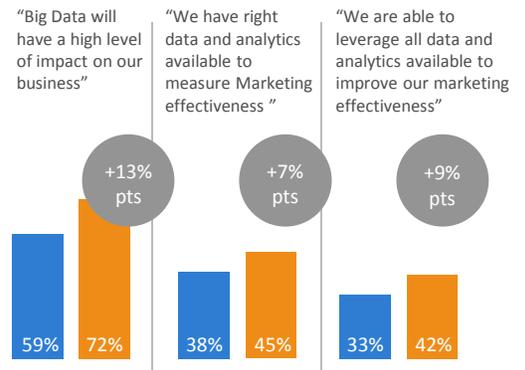
Winning M2020 brand characteristics

Big Insights

It's not about big data, It's about big insights

Over-performers have the edge in extracting big insights from big data. They have a clear point of view about how big data will impact the marketing organization and are putting the skills, systems and processes in place that will equip their organization to extract big insights.

*"Big Data is a lot like sex in high school. Everybody talks about it, but nobody does it – or if they do it, they do it very badly."
CMO at a Marketing2020 Roundtable*



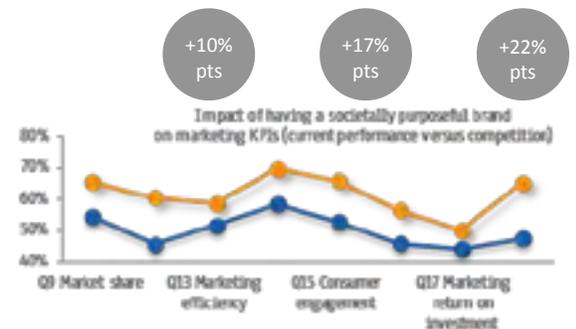
Purposeful Positioning

Brand purpose fuels growth and brand consistency

The facts speak loudly: brands with a clear purpose have the ability to drive higher business growth, margin and price than those without. Marketers working on purposeful brands also report back that they are better able to preserve brand consistency as touch points increase and go digital.

"I'd like to redefine EPS from 'earnings per share' to 'Economic Value, Partner Value, and Social Value,'... It's not just what you sell, it's what you stand for."

Joe Tripodi, Executive Vice President and Chief Marketing & Commercial Officer at The Coca-Cola Company



What is on CMOs' mind: key M2020 opportunities & challenges

Brand purpose fuels growth and brand consistency

Winning brands deliver a total experience with increased relationship breadth and depth, creating a personalized and social experience across a multitude of touch points throughout consumers' daily lives.

"Brands are going to become increasingly important in a cluttered media world. They will evolve to become channels in their own right, a destination for content, attracting people to more than just the products themselves." Keith Weed, Chief Marketing and Communications Officer at Unilever



Organizing marketing for growth

Connect

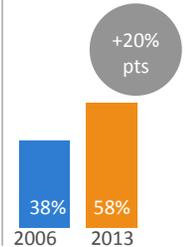
Establishing Marketing as Partner for Growth

Successful marketing leaders use business acumen as their ticket to influence: they clearly link their KPIs to business growth and translate marketing terms into the language of the business.

"We're going to have a much greater degree of collaboration with human resources. It will be more than messaging to employees... We will be partners guiding the cultures of our companies." – Jon Iwata, senior vice president of marketing and communications at IBM



Marketing works closely with the CEO to establish the company's strategic growth agenda



Inspire

Engineering Less, Engaging More

Over-performing organizations give the same priority to internal employee engagement and external customer engagement: full engagement with the brand purpose enables delegation of decisions, ensures a seamless customer experience and inspires employees to share their passion with family and friends.

"Who gets hired at the stores, how people are trained, what they're told to say — that's where the rubber hits the road. No matter how much great marketing or advertising we do, it can all fall apart if you go into the store and it's dirty, products are out of stock, or people are not friendly to you." Elisabeth Charles, SVP and CMO at Petco Animal Supplies Inc.

"In our company we ensure that all employees are fully engaged with our brand purpose"



"I am proud of my brand's purpose"



"I frequently share our brand purpose with family and friends"



Focus

Embedding Strategy and Tracking the Execution

Over-performing marketing organizations first co-create and then embed the strategy to maximize its real-life impact. Additionally, they identify and track the relevant KPIs for marketing's impact, business growth and employees' personal performance.

"If you were driving from New York to Chicago, you would probably check on a regular basis whether you're on the right road, but in business, we sometimes only check our progress once per year. We need to do it with sufficient frequency so that if we get off track, we still have time to course correct." Larry Light, Chief Brands Officer at IHG.

"Global, Local and Regional Brand success is measured against clear KPIs"



"KPIs are clearly linked to business performance"



"Personal rewards are linked to these KPIs"



Organizing marketing for growth

Organize

Breaking Down the Silos

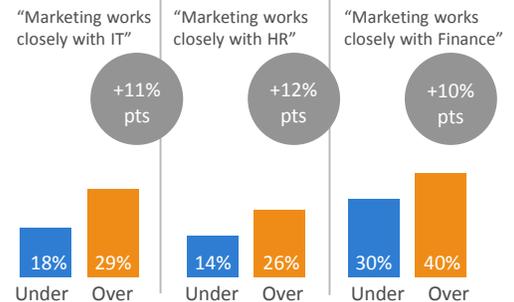
Having a clear shared purpose permits organizational flexibility and helps collaboration within marketing, but also with other functions such as IT, HR and finance.

Already today, over-performing organizations are more networked and build consumer-centric communities with roles that go beyond a traditional central-global-local work split.

Three distinct typologies of marketers emerge:

- Think** with strong analytical capabilities
- Feel** focused on consumer communities engagement
- Do** specialized in content development and production

“The number one challenge in companies like ours is, how should we be organized. Everybody always goes to the org chart first. What we really should be doing is saying, ‘How will we define success? What is our process for achieving that success?’. Only then do we consider the organizational structure.” **Larry Light**, Chief Brands Officer at IHG.



Build

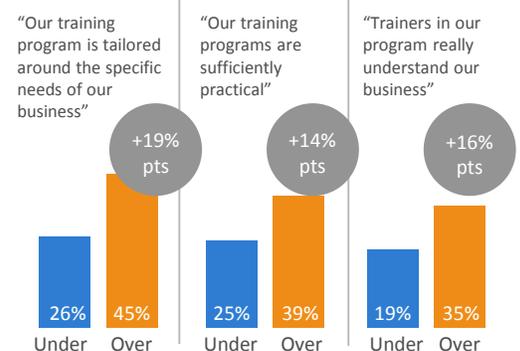
Equipping the Organization for Growth

State-of-the-art marketing capabilities drive higher revenue growth. The capabilities with the highest growth correlation are Consumer Understanding, Brand Positioning and Brand Strategy.

When it comes to building marketing excellence, over-performing marketing organizations have a clear quantity and quality advantage in their trainings. On average, their employees receive 20% more training days, each of them more tailored to their company's unique challenges and way of marketing.

“Consume new technology – use it, spend time with it, and learn from people it has benefitted so you can leverage it. You have an amazing opportunity to be at the forefront of what is going to be a big change.” **Yusuf Medhi**, Corporate VP, Marketing and Strategy at Microsoft Corp.

“Digital natives will rule the world. No other generation is more equipped to change the world and marketing – than Millennials” **Antonio Lucio**, Global Chief Brand Officer at VISA



Leveraging Marketing2020 findings for your organization

Using Marketing2020 as a Benchmark

Do you want to know how effective your marketing organization is? Vermeer is now offering company-specific Marketing2020 benchmarking: The dedicated Marketing2020 PulseCheck™ includes internal vision interviews and a company-tailored online M2020 survey.

The Marketing2020 PulseCheck™ findings and recommendations will help focus every marketing leadership agenda.

Examples of typical benchmarking projects:

Qualitative Benchmarking and Team Workshop

- Internal team member interviews, benchmarked to M2020 success factors
- Half-day workshop with your team to review M2020 results, discuss the implications for your organization and prioritize opportunities and challenges.

Quantitative Benchmarking

- Quantitative survey of your marketing organization, benchmarked to M2020
- Survey analysis and recommendation development
- Half-day workshop with your team to review M2020 results, discuss the implications for your organization and prioritize opportunities and challenges.

M2020 CMO Network

The Marketing2020 partners are setting up a series of special CMO roundtables, networking events, publications and tools focused on providing senior marketers with insights, practical examples, and tools to drive growth. These events offer access to thought-leading content and peer-to-peer discussions.

Marketing2020 HBR PulseCheck™ - growth dashboard



About Vermeer

Vermeer is the only global marketing consultancy focused on unleashing purpose-led growth through the development and embedding of consumer insight-led marketing strategy, structure and capability.

We provide solutions to strategic marketing challenges, rooting our approach in consumer research, stakeholder understanding and financial analysis. We tie insights to dollars, the only universally accepted language of business. Our whole-brain thinking brings an intrinsically multi-lens and practical approach to all our work.

Beyond our cutting-edge client work, we are proud of the thought leadership we deliver to change the conversation in business: Our Marketing2020 study is the most global and comprehensive CMO research program in the market. Our annual global BrandZ™ brand valuation ranking is the market benchmark for determining the most valuable brands in the world.



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