

Measuring the business of marketing

 By [Dale Hefer](#)

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Understanding that "Marketing is Business™" (a term trademarked by the IMC) has never been more critical than it is today. The conversation between marketers and CEOs is poised to deepen in 2022, as marketing evolves from a cost centre to a profit driver.



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Within this context, CEOs must employ insight when considering marketing's contributions to growth. The responsibility for marketers is to ensure that their discipline is neither side-lined (and excluded from boardroom decisions) nor its role in the company misinterpreted.

1. Collaboration at boardroom level

Marketing is no longer regarded as a tactical cost centre, with CEOs beginning to acknowledge its potential as an investment and driver of growth. Research compiled by equity research firm Redburn and PwC, calculates that the sector is now worth \$1.7trn worldwide.

While CEOs are beginning to acknowledge marketing's mission and growth agenda in the boardroom, CMOs must equally acknowledge the importance of developing boardroom relationships. C-suite research conducted by global consulting firm McKinsey, finds that the bonds a CMO forms with other members of the C-suite are highly important to ensuring cross-functional collaboration which can lead to marketing-led company growth.

2. Marketers as primary custodians of the customer

The value of marketing lies in its measurability, and the ability to demonstrate complete ownership of the customer. While sales teams generally become aware of customers 70-80% of their way through the buyer's journey, marketers have full visibility of the customer from the get-go. This goldmine of information can significantly impact the company's profitability and growth. The CMO Council reports that 91% of marketers felt that there was an expectation by senior management and board members for marketers to drive measurable growth.

3. Staying true to marketing's function

Today, marketers must contend with measuring abundant customer data as part of their responsibilities. The challenge for marketing is that it is increasingly being thrust into the realm of customer experience and revenue growth. The CMO Council reports that as many as 60% of marketers are reportedly unhappy with the depth and granularity of the customer insights that they are faced with.

However, not all data need be necessary. As an article by professional services firm, Deloitte suggests, marketing's purpose is to place the customer at the core, and so priority should be placed on data that meets two overarching goals: firstly, to increase top-line revenues by improving customer acquisition and loyalty; and secondly, to create bottom-line value through operational efficiency and insights.

4. Ensuring relevance to drive marketing's agenda

Conversely, marketers are facing criticism from CEOs over the analytics used to measure campaigns, particularly in the digital marketing and social media space. ("Measuring the business of marketing - CNBC Africa") The caution is that marketing could lose its internal impact through unclear or seemingly irrelevant data.

Behavioural targeting platform Bango cautions that, in a survey of 200 UK-based CEOs, 62% felt that too much marketing budget is wasted on activities that don't deliver meaningful results. If engagement doesn't tie back to sales then it quickly becomes a huge drain on company resources.

As the notion of "Marketing is Business™" takes hold in the boardroom and their discipline becomes more keenly scrutinised, marketers may well find themselves challenged in numerous ways. The key message is that once at the boardroom table, marketers need to actively engage with C-suite stakeholders to drive marketing-led growth. Simultaneously, marketing must operate with insight in order retain ownership of their mission, and their unique position as the custodian of the customer.

ABOUT DALE HEFER

Dale Hefer is CEO of the IMC (Integrated Marketing Council) which incorporates, Africa's foremost integrated marketing conference, the Nedbank IMC.

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