

From Stretched to Strengthened

Insights from the
Global Chief Marketing
Officer Study

“Our challenge is to translate data into actionable business insights. This requires an evolution in our skills, tools, and capabilities.”

Senior Vice President of Marketing,
pharmaceutical company, United States

Life Sciences CMOs are placing greater focus on brand performance analysis and financial metrics and recognize several key changes are needed to deal with the current explosion of marketing data.

How are chief marketing officers (CMOs) helping their enterprises cope with the fundamental shifts transforming business and the world? To find out, we conducted 1,734 face-to-face interviews with CMOs in 64 countries, including 51 marketing leaders from the Life Sciences industry.

Our interviews reveal that CMOs see four challenges as pervasive, universal game-changers: the data explosion, social media, proliferation of channels and devices, and shifting consumer demographics. To respond to this, CMOs in the most successful enterprises are focusing on customer relationships, not just transactions. They are committed to helping employees exemplify their organization's “corporate character.” And they are looking for ways to demonstrate marketing's return on investment (ROI).

In the course of our conversations with CMOs worldwide, an overwhelming consensus emerged. The vast majority of CMOs believe there are three key imperatives that will enable them to respond to the marketing challenges in today's complex world. They must understand and deliver value to empowered customers; create lasting relationships with those customers; and measure marketing's contribution to the business in relevant, quantifiable terms.

Deliver value
to empowered
customers

Capture value,
measure results

Foster lasting
connections



Life Sciences industry insights

► **Swimming, treading water or drowning?**

- CMOs are facing significant challenges and most feel underprepared to manage them. Overall, the data explosion, social media, growth of channel and device choices and shifting consumer demographics were the top four concerns for all CMOs. Life Sciences CMOs rated each of these factors even higher than respondents globally. In fact, 100 percent cited the data explosion as the factor for which they are most unprepared, compared to 71 percent of all respondents.

► **Deliver value to empowered customers**

- Many organizations struggle to develop customer insights because they primarily focus on understanding markets rather than individuals. Overall, at least 80 percent of CMOs rely on traditional sources of information, such as market research and competitive benchmarking, to make strategic decisions. Life Sciences CMOs rely on these as well for decision making, along with corporate strategy and customer analytics.
- Across all industries, the two biggest barriers hindering CMOs from adopting new tools and technologies are cost and lack of certainty about ROI. Life Sciences CMOs are in agreement, with 73 percent citing cost as the biggest barrier and 59 percent citing lack of ROI certainty.

► **Foster lasting connections**

- In this digital era, organizations need to understand customers and act quickly on what they learn. As Life Sciences CMOs manage the shift toward digital technologies, enhancing customer loyalty/advocacy is their top priority.
- More than half of the CMOs say their corporate character is well understood in the marketplace. Yet 57 percent also say more work remains to get employees on board. In Life Sciences, only 42 percent of CMOs believe their corporate character is understood and 45 percent say more work remains.

► **Capture value, measure results**

- Sixty-three percent of respondents globally believe marketing ROI will become the most important measure of success over the next three to five years. CMOs from Life Sciences companies identified marketing ROI and overall sales as the most important factors.
- Most CMOs use partnerships primarily to augment their promotional activities. Over the next three years, Life Sciences CMOs plan to use external resources for tracking and measurement, customer and data analytics, and call and service centers.

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October 2011
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