

HOW TO GET UP TO 6X BETTER RETURN ON YOUR B2B MARKETING INVESTMENT

B2B Organisations are still mainly Sales led but Marketing leaders are beginning to get a seat at the top table. This is not yet widespread, because in many B2B organisations Marketing's role appears too vague to sceptical leaders, too 'unaccountable' and seen subservient to Sales and Product in every way.

In 'subservient' companies, Marketing may host the corporate website, run tactical campaigns and be seen as the 'brochures and posters' department! In these organisations Marketing is invariably a 'cost centre' where costs are minimised, and budgets are often the first to be cut when savings are required **But here's the rub and the main point of this blog.** Major new findings from SCHEMA® and the recent Dentsu CMO study show that when Marketing is taken seriously, typically made visible by a full time CMO having a place on the board, companies outperform those where Marketing is more tactical by 4-6x across multiple measures of success (e.g. marketing ROI, number of qualified leads, business leader satisfaction with Marketing, brand salience). **Please just reflect on this for a moment.** As an example, for every \$ spent on marketing a company with World Class marketing as defined below will get \$4 more. Stunning isn't it? How can this be achieved, and what does 'World Class' look like?

What does World Class look like?

Firstly, in our 30 years' experience in this area, there is no 'one size fits all' generic Marketing B2B structure or approach. However, our research over these years has distilled the following areas as describing the very best performers versus the rest. Is your Marketing organisation world class? Tick how many of the following statements are 'unambiguously true' for your organisation. "Marketing...

- ✓ Has a totally clear **PURPOSE**, aligned across all business leaders
- ✓ Is clear about its **ACCOUNTABILITIES** vs. other stakeholders (typically this means defining global/local and Centre of Excellence/standard process, and the relationships between Marketing and Lines of business, Product, Operations, data, IT, analytics and insight)
- ✓ Is recognised in adding **IMMEDIATE COMMERCIAL VALUE** - typically through deeply understanding, sharing and contributing to the commercial reality with the business (e.g. shared insights, strategic discussions, KPIs)
- ✓ Provides meaningful **STRATEGIC VALUE** (e.g. how the organisation could invest differently to achieve objectives, prepare for new opportunities)

- ✓ Provides an efficient delivery '**AGENCY FACTORY**' (insourced or outsourced)
- ✓ Acts as a '**CENTRE OF EXCELLENCE**' for agreed cross-functional areas (typically planning, segmentation, insight & analytics, corporate comms, event management, product marketing, branding, voice of the customer & customer experience design)
- ✓ Works with an accepted '**SINGLE VERSION OF THE TRUTH**' which normally means a single customer view and implies significant influence over customer data and martech/adtech
- ✓ Applies **STRATEGY & RIGOUR IN EVIDENCE-BASED MARKETING PLANNING** and **ANALYSIS** improving execution across the lifecycle via omni-channels (no channel silos).
- ✓ Is recognised as acting as a **High Performing Team** (e.g. one team, super partner to business, empowered, agile, lean & efficient, effective, confident and customer focused)

If all or even most of these are true for you, then you are likely to be a World Class B2B Marketing organisation. If the statements above are not true all or only partially true, then, to improve,

you will need to convince the CEO to let you redefine Marketing in your organisation.

Convince the CEO that Marketing can play a more significant role in the business

To convince the CEO of this, you'll need to develop a commercial case around one or more of; *higher brand salience, more and better qualified leads, higher conversion rates; improved cross sell rates, higher margins from ecommerce, improved customer experience and retention, greater marketing efficiency.* TCF's SCHEMA® is full of case studies of each of these.

However, in our experience, no matter how good your conceptual business case is, sceptical B2B leaders will remain...sceptical. The only approach in these organisations will be to develop specific, carefully controlled **pilots** around one of more of the areas above.

Once the CEO has bought-in, design Marketing to be a real driver of, and partner to, the business

The CMO's role is in ensuring the Marketing Team deliver maximum impact on the things that really matter to the business and become valued & appreciated for doing this.

The starting point is to work with business stakeholders to define what the business really requires of Marketing and to overlay across that what world class marketing looks like, challenging the business if necessary.

Once the business requirement is clearer, the *marketing leadership can craft a response and way forward.*



They can do this by:

1. Defining and strongly aligning behind a clearer and common **purpose of Marketing**
2. Enhancing **accountability** and an individual's 'line of sight' to business and customer goals
3. Clarifying the Marketing **target operating model** to achieve this; this is not just about the org chart, but the ways of working & how Marketing acts as a team
4. Improving the **culture of collaboration** (within and between marketing functions and with the rest of the organisation. Many Marketing people will report to Marketing AND to the Business – but Organisations are not always very good at matrix management.
5. **Energising** the entire team behind the new vision.
6. **Convincing** sceptics with quick wins, well communicated.

Mutual respect

As the new way of working is bedding in, it will always be essential to keep communicating successes (and failures), to keep learning and to keep checking back with business stakeholders that Marketing is delivering value. In B2B, there will always be a tension between Sales and Marketing, but by following the points above, marketing will quickly earn the respect of all stakeholders and will begin to transform the Organisations in which it operates.