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# THE 2020 CMO, LEADING BUSINESS TRANSFORMATION

THE WORSHIPFUL COMPANY OF MARKETORS BUSINESS LECTURE  
4 JULY 2018

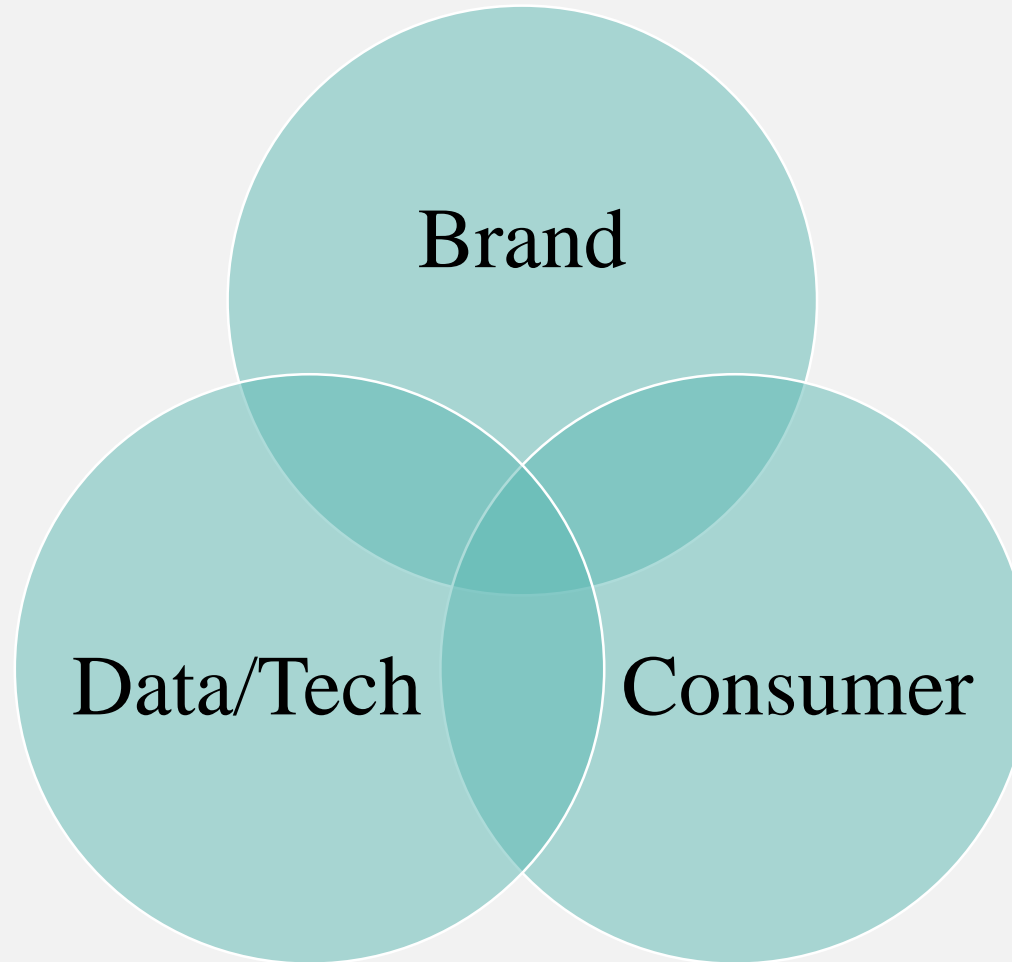


**BEING TRANSFORMATIONAL:**

**A SILO BUSTING  
SYSTEMS INTEGRATOR**

# A SILO BUSTING SYSTEMS INTEGRATOR

*Innovation is accelerated by connecting*

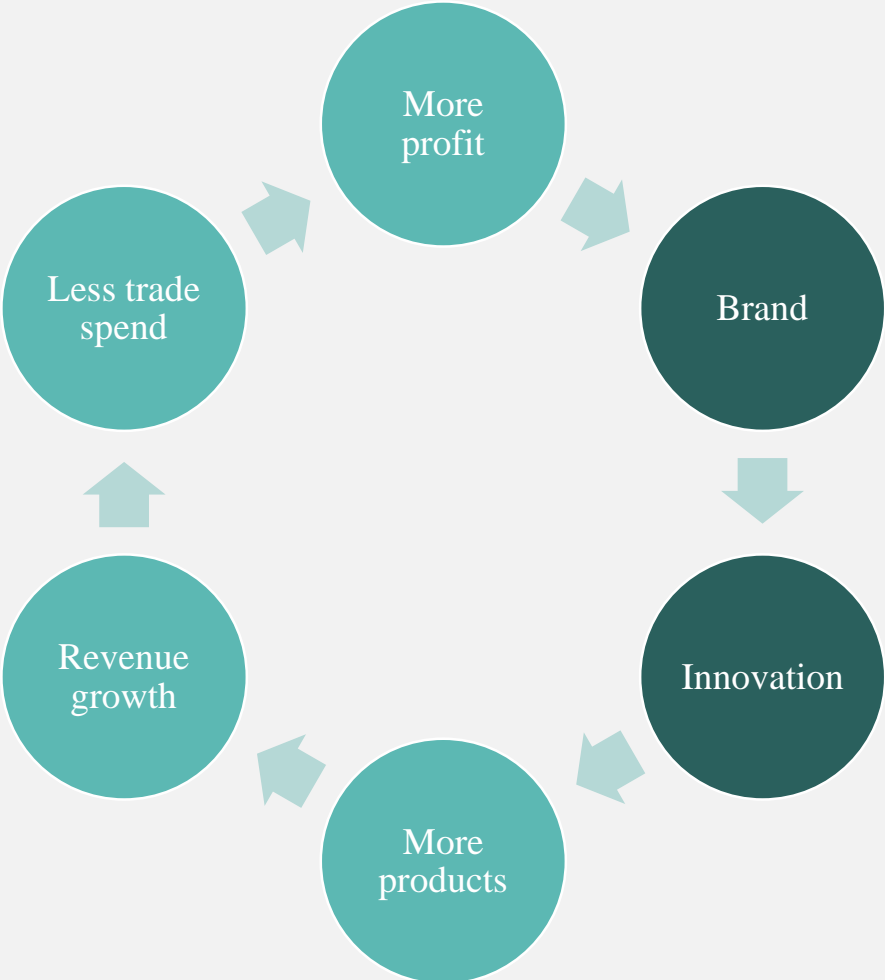


**WHAT IS HAPPENING:**

**FLIP OF BRAND DYNAMIC  
EXPERIENCE IS CODIFYING THE BRAND  
BUSINESS TRANSFORMATION, NOT DIGITAL**

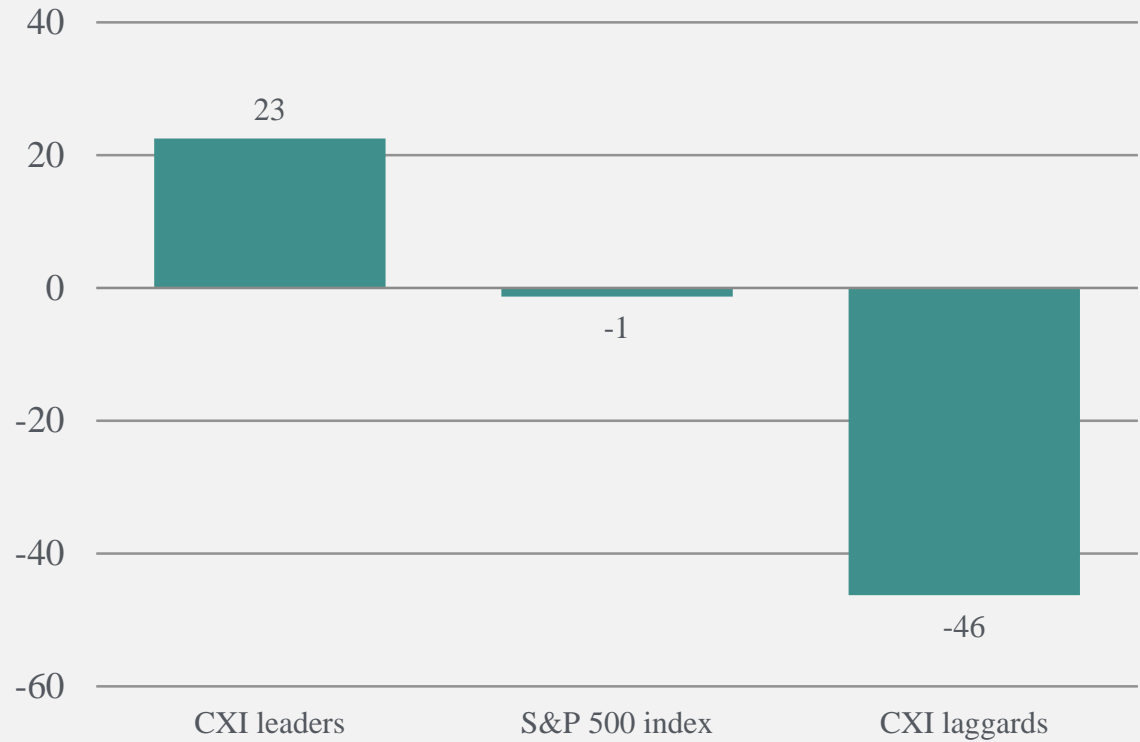
# WHERE THE VALUE COMES FROM

*Innovation and marketing*



# CUSTOMER EXPERIENCE DRIVES VALUE

*5 year stock performance of CXI leaders vs laggards S&P 500*



Source: Forrester Research/Watermark Consulting



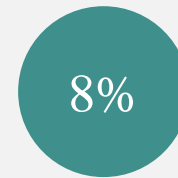
**YET THE WORLD IS NOT  
LIKE THIS**

# WORLDS APART

*Poor customer experience is limiting brand value generation*



...of CEOs believe their CX is superior

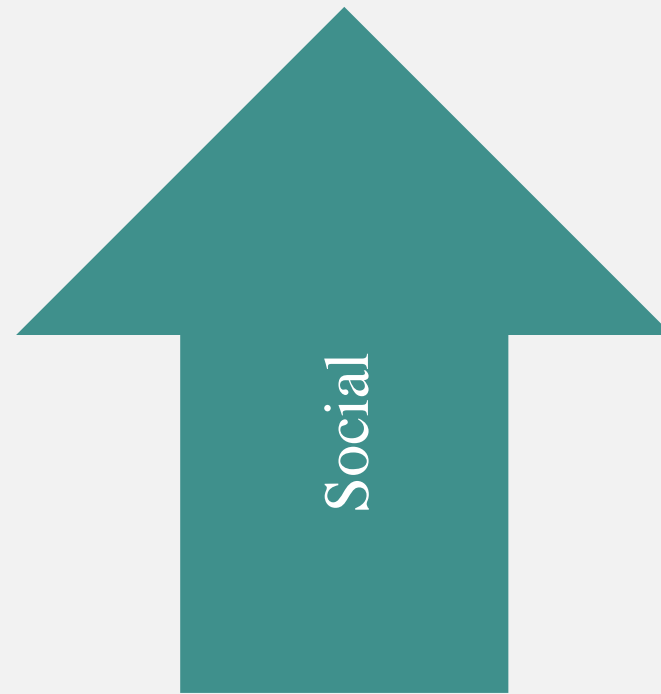


...of their customers agree



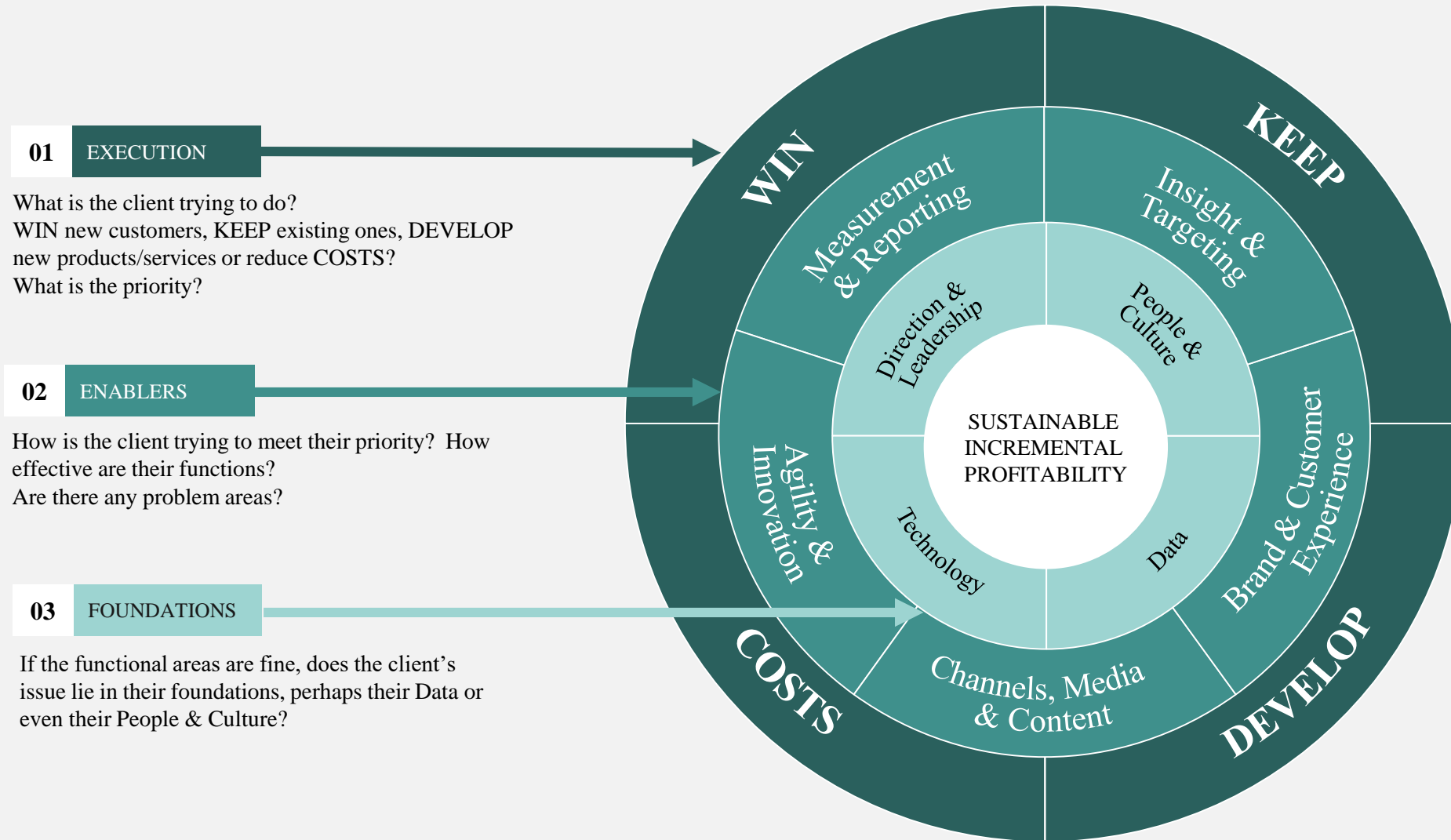
# MARKETERS ARE LOOKING THE OTHER WAY

*Lack of a holistic understanding of the marketing system and relevant KPIs*



# BUSINESS NOT VIEWED AS A SYSTEM

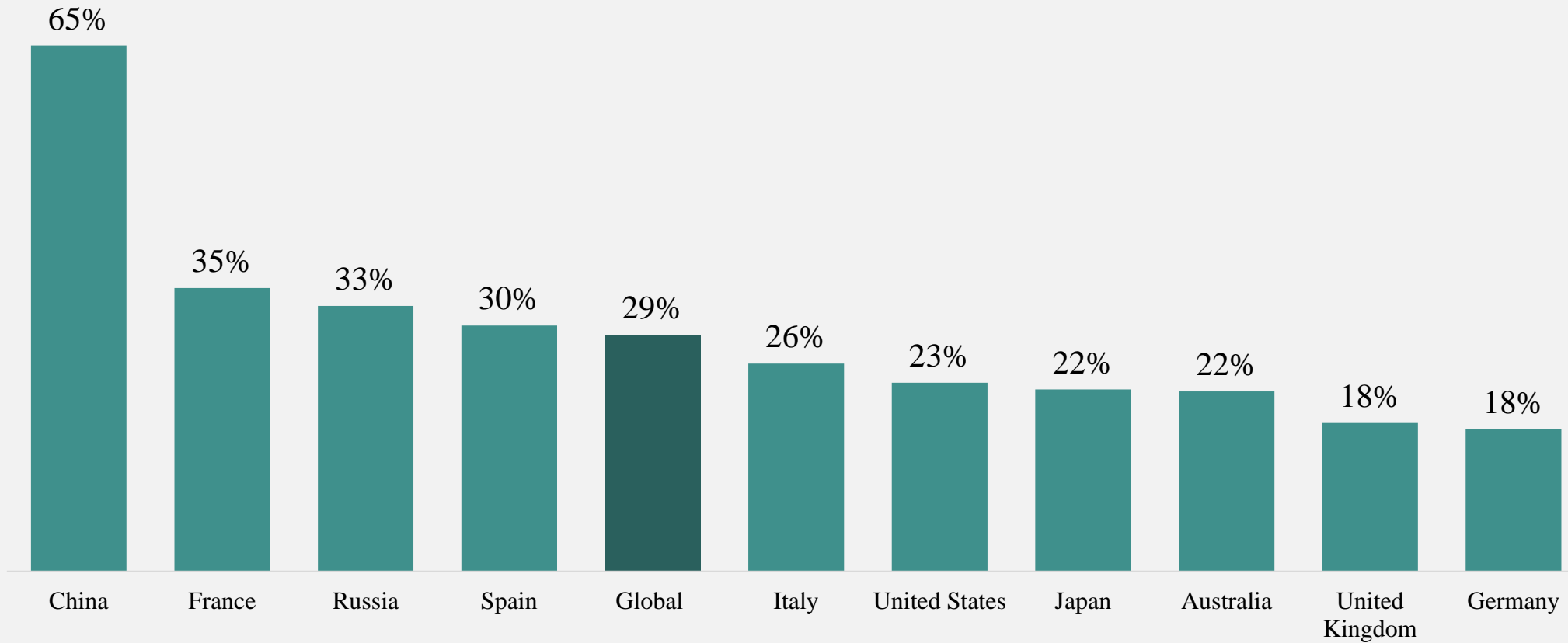
*Operational transformation is needed between strategy and activation*



Source: © The Customer Framework, part of the Dentsu Aegis Network, The SCHEMA® Model

# SOCIETY HAS DIGITAL IN THE DOCK

*Overall 54% of people believe the pace of technological change is too fast*



Source: Dentsu Aegis Network, Digital Society Index 2018. % people agreeing that emerging digital technologies (e.g. AI, robotics) will create job opportunities over the next 5 to 10 years

# ORGANISATIONAL PARALYSIS

*Risk aversion at a time when transformation is needed more than ever*

## NEED...

- Brand is a key intangible
- Risk aversion
- Clients want to own brand experience

## BUT...

- Innovation investment is constrained
- Make a TV ad and you will get fired
- Not enough skills to in-house

**A BRAND'S POV HAS TO BE EXPRESSED  
THROUGH A DIFFERENTIATED AND CONNECTED  
EXPERIENCE, OTHERWISE NO 'BRAND PUNK'**



# TRANSFORMATION AT BOARD LEVEL

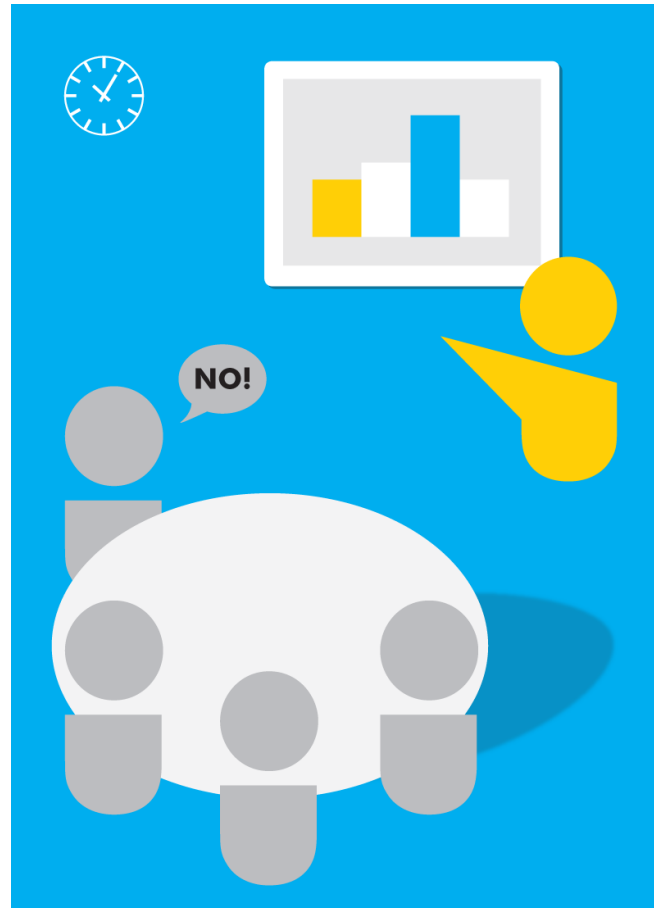
# DEATH IN THE BOARDROOM

An unfortunate but familiar scenario plays out...

A team comes up with a breakthrough idea that will drive short- and long-term growth.

But once in the board room it all falls apart, with senior managers exposing cracks in the strategy where outcomes have not been clearly defined or supported with adequate facts.

Defeat hangs heavy in the room, offset with blank stares and demands to rewrite the plans again.



# MARKETERS OFTEN STRUGGLE IN THE BOARDROOM

CMOs have the shortest tenure (months)

CMO: 48

CIO: 64

CFO: 71

CEO: 80



“Only 40% of CEOs rate their CMOs as strong.” The CMO Council

“Nearly 2/3rds of CEOs think that their marketers don’t provide adequate evidence of ROI to gauge marketing’s true performance.” The CMO Council

“Marketing is too important to be left to marketing people.” David Packard

# BOARD GAMES: WHO'S RIGHT AND WHO'S WRONG?

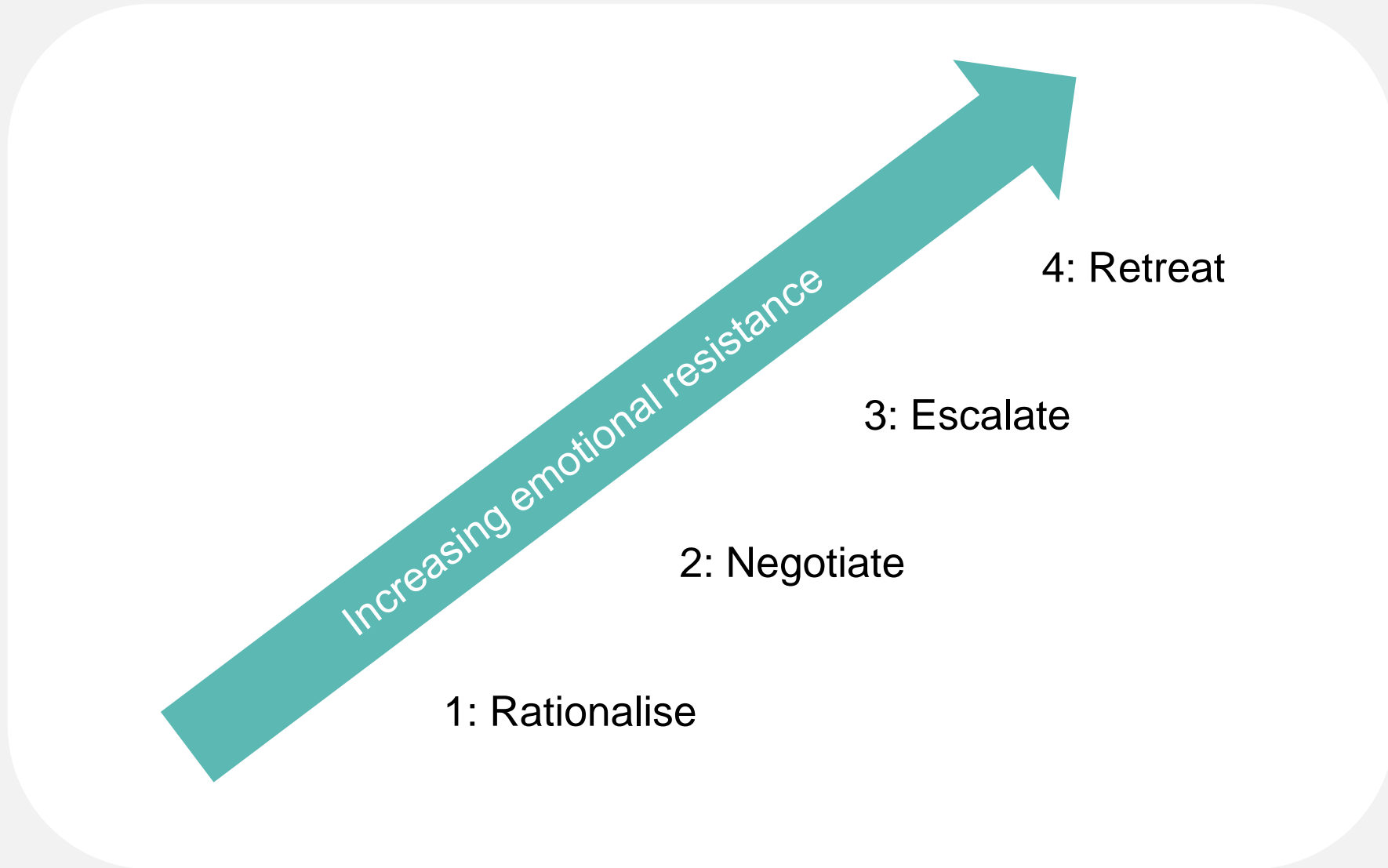
- Senior management is charged with managing the company successfully
  - Analytical focus
  - Need to manage risk
  - Short- to mid-term mind set
- Marketers have a different mind set
  - Creative focus
  - Take risks to reap rewards
  - Mid- to long-term mind set
- Who's right and who's wrong?
  - No one
  - Marketers must recognise that the boardroom is not their territory
  - Think like senior management to convince senior management



# ENGAGING SENIOR-LEVEL PEOPLE

- **Senior managers are invariably time starved**
  - **Commercial** in how they will deliver business growth
  - **Credible** in how they will deliver a strong, sustainable return
  - **Concise** in both print and verbal form
  - **Clear-cut** in their proposed requests and next steps
- **Senior managers are human**
  - Involved in the problem solving
  - Engaged in plain English

# HANDLING CHALLENGING CONVERSATIONS



# 1. RATIONALISING

Most presentations are rational

- Positive decisions
- Fact-based
- No personal downside

## Recommendations meeting

- Context
- Facts
- Options
- Recommendation
- Asks and Next steps

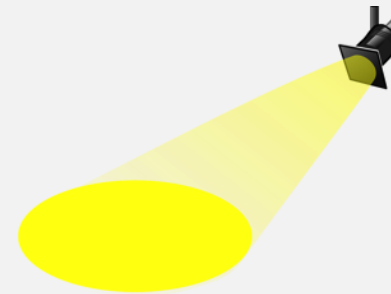


**Eye on the Bulls-Eye**

- When under fire don't get defensive, blag or waffle
- Do:
  - Do your homework
  - Welcome the question
  - Pause
  - Answer succinctly
  - Admit it when you don't know
  - Clarify you've answered

## Follow-up meeting

- Collect data and facts
- Regroup
- Ask for agreement



**Under the Spotlight**

# SOME DECISIONS ARE MORE EMOTIONAL

## More rational

Good for the business

- Logical
- Fact based
- Strong business case



## More emotional

NOT good for me and my team

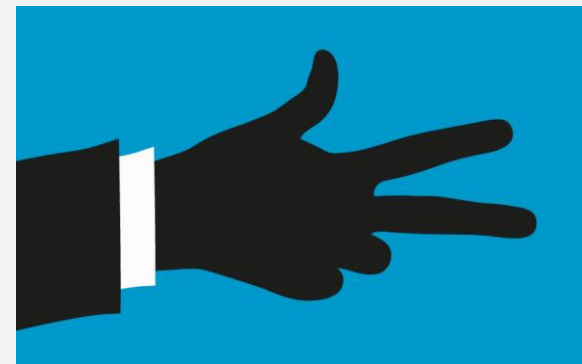
- “Stop us making our targets”
- “Result in me losing power”
- “Force me to do something that others will disapprove of”

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## Power of 3

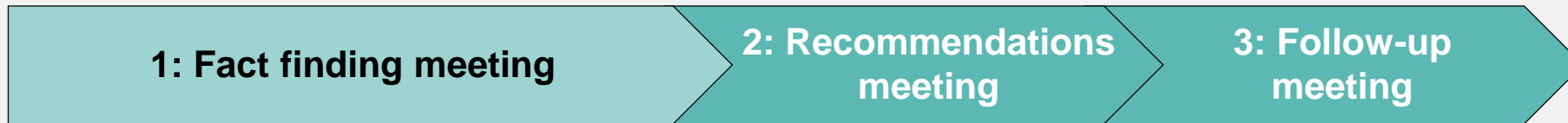
### More emotionally driven examples:

- Moving to one global brand
- Investing in building a stronger brand
- Moving from a local to global positioning



## 2. NEGOTIATING

If emotional resistance, conduct a fact finding meeting early on



### Why

- Get input
- Identify concerns or show stoppers
- Access relevant data

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### How

#### **Negotiate:**

- Identify areas of common ground and sticking points
- Identify facts, data or market changes they need to see
- Encourage them to talk with others
- Give them time to get used to the idea

# NEGOTIATING TOP TIPS

## Meeting flow:

- Set context and issue
- Make recommendation
- Listen
- Negotiate
- Raise outstanding issues
- Agree next steps

## Ask questions

- “So to summarise what you’re saying...”
- “If I hear you correctly...”
- “What can I show you that would convince you...”
- “What would need to change for you to be comfortable...”
- “What elements of the plan are you comfortable with?”

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## LET THEM

- Be emotional
- Get their issues out
- Explain where they’re coming from
- Feel heard

## DO

- Listen, show respect
- Probe, ask questions
- Talk to them directly
- Summarise

## DO NOT

- Sell
- Argue
- Say they are wrong
- Hide behind charts
- Bamboozle them with data

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2<sup>nd</sup> meeting is often more rational once the emotion of the 1<sup>st</sup> meeting is out

# 3. ESCALATING

## When

- Stalemate
  - Conflicting objectives and concerns
  - Senior support that this is the right way forward
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## How

### Take up the line

- Let them seek out others' opinions
- Use other senior people to convince them
- Let the bosses debate it out

# 4. RETREATING

## When

- Company not aligned on which way to go
- Company knows that this is right, but not now

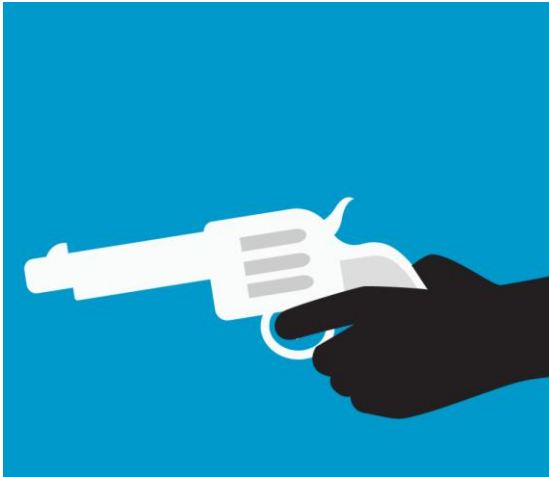
## How

- Recognise that the timing isn't right
- Gracefully retreat
  - Assess what needs to change
  - Continue to collect data and facts to prove the case
- To make the leap, companies often need:
  - New proof (e.g., Case study, Data)
  - External change (e.g., Sales drop, Regulatory backlash)
  - Internal change (e.g., New CEO, Major project completion)





# THREE TOP TIPS WHEN UNDER ATTACK



Dance Baby Dance



Shoot Me in the Heart



“Under The Ego”

# THANK YOU

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