

CMO Growth Council

How the world's top CMOs are reshaping the future of marketing

October 2019 update

What do the world's most senior marketers talk about when they're in a room together?

This report summarises the discussions and ideas of the CMO Growth Council, a collection of the marketing industry's top talent. The Council is a partnership between the Association of National Advertisers and Cannes Lions (WARC's sister company).

The goal is to future-proof the discipline of marketing and modernise the role of the CMO amid unprecedented industry change. Launched in 2018, the Council reported back on progress to date at Cannes Lions 2019 and discussed next steps. WARC was present in those discussions.

The Council's work is split across four tracks:

- Society & Sustainability
- Talent Development & Organisation
- Brand Innovation & Creativity
- Data & Technology

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Four themes from this report

1

Amid dwindling marketing budgets and shortening CMO tenures, there's a need to **reaffirm the fundamental value of marketing and brand creativity** to the company C-suite. Marketers need evidence and fresh metrics to make the case for brand investment.

2

A talent crunch requires Chief Marketing Officers to think differently to attract the best people, develop their teams, and ensure that **marketing regains favour among top talent**.

3

The skillset of the modern CMO also needs to evolve, especially in **understanding the power of data and technology** to drive results for brands.

4

Diversity and sustainability are more important to consumers than ever before, and **brands need to bring their purpose to life** in a positive, impactful way.



Society & sustainability



Society & Sustainability

Key challenges: aligning brand growth with a broader social benefit, and ensuring safe media environments in which to build brands; co-ordinating action across the industry.

Talking points

Boosting diversity and inclusion – both in front of and behind the camera

The [SeeHer initiative](#) is focused on gender equality within advertising – this has been successful already, with 80,000 ads studied and expansion into media and sports. The aim is to end gender bias in advertising by mid-2020. Also important is the [Free The Bid project](#), which focuses on diversity behind the camera – just 7% of commercials are made by women, and 2% by people of colour.

Focusing on sustainability as a core brand responsibility

Sustainability is now a key strategic priority for all marketers. There is a large gap between action and intent on sustainability. Marketers should be looking at initiatives such as [#BrandsForGood](#).

Taking action to create safe, responsible media environments

Brand safety online remains a major issue – the recently launched [Global Alliance for Responsible Media](#) focuses on eliminating hateful content and ensuring responsible media in order to drive growth.

Society & Sustainability



Marc Pritchard – Procter & Gamble

Next steps

Use brand-building to close the action gap for sustainability initiatives

Studies suggest the majority of people want to do something, but only a minority actually act – this is the intention-behaviour gap. Brands should help close this gap by adopting a sustainable development goal that's relevant to them – for example, tackling sustainability in their supply chains.

Avoid the 'fragmentation of effort', particularly around online content

A collective industry voice is needed to press social responsibility from media owners, and publicly hold platforms accountable for implementing more stringent safety measures and eliminating hateful content.

Develop meaningful metrics to determine progress on brand safety

Brands should work through the Global Alliance for Responsible Media to develop ways to measure progress on brand safety initiatives, for example in tackling misinformation, fake news or terrorist content.

Tackling the challenge of diversity 'behind the camera'

Backing initiatives such as Free The Bid, and using the power of co-ordinated action to enforce lasting change in the production of the work, and in marketing teams – not just in-camera talent.

View from the inside: Marc Pritchard



Marc Pritchard is Chief Global Brand Officer at Procter & Gamble

In 2019, the business of growing a brand is tied to having a positive impact on society and the environment, according to Marc Pritchard, Chief Global Brand Officer at Procter & Gamble (P&G), the world's biggest advertiser.

Pritchard, one of the most influential leaders in marketing, is co-leading the 'society & sustainability' stream of the CMO Growth Council, a collaboration between the Association of National Advertisers (ANA) and Cannes Lions (WARC's sister company). The work of the CMO Growth Council in this area brings brand leaders together to consider how they can put societal good and sustainability at the heart of their growth strategies.

Consumers expect brands to raise their game in sustainability

What brands are learning, Pritchard believes, is that balancing growth with doing good is a fundamental consumer expectation.

"What's important for brands to do is to be consistent about these areas, and stick with them for them to have an impact," Pritchard said in an exclusive conversation with WARC.

Consumers of all ages – "from Gen Z to Boomers" – are now expecting brands to take a stance on important societal issues. He noted: "People expect more from our brands and our companies. They expect brands and companies to do good for society and for the planet. Nine out of 10 consumers say they have a more positive image of a brand or a company when it supports a social, or environmental cause."

About 10 years ago, P&G started considering the power of its brands to make a positive difference to society and the environment. Though P&G's commitment hasn't been directly motivated by the current divisive political climate, Pritchard acknowledged it adds renewed relevancy. "The climate and the current times are just amplifying how important it is to focus on eliminating bias and accurately, realistically, and positively portray all people," he said.

Brands need to demonstrate authenticity and action...

Today, a 'citizenship' component is at the heart of P&G's brands. In recent advertising work, P&G brands have tackled issues including racial

discrimination, toxic masculinity and equality for women.

On the sustainability front, the company is making a concerted effort to ensure its manufacturing processes are as environmentally friendly as possible, including minimising wastewater and sourcing sustainably harvested ingredients. This makes sense for P&G, as one of the world's biggest packaged goods manufacturers.

Pritchard advises marketers, when considering how their brands can have a positive social and environmental impact, to choose something that holds true to the brand.

"What I think we learned is that if (the purpose) is too disconnected from the business, then it doesn't work," he said.

"Ensure that you're coming up with something that fits your brand's core equity, and benefit, so there is an authentic reason for a consumer to think about it."

...while tying it back into growth

Many brands have fallen into the trap of purpose-driven campaigns that seem cynical, opportunistic or simply

By Anna Hamill, Senior Editor, Brands, WARC

View from the inside: Marc Pritchard

don't deliver business results.

In Pritchard's view, it's important not to lose sight of the fact that marketing campaigns should be designed to deliver growth. Finding the right balance is key: "If you're a force for good and not a force for growth, then you're philanthropy. Philanthropy is good, but most of it is non-profit. If you're a force for growth and not a force for good, then some of your consumers might think of you as being too much of a mercenary. You have to bring the two together and build in what we call 'citizenship' into how the business grows."

The key for P&G is to build both elements into the strategy from the start.

Brands need to be clear on metrics

"Our CEO declared a few years ago that we would build citizenship into our business: we would build sustainability, equality, diversity and inclusion, and a community impact into our brands. Whatever we came up with would drive our core business metrics."

"We focus on growing the market, the users of our brands, market share, and then sales and profit.

Those are the measures. We look for any marketing programme we develop, including these citizenship programmes, to deliver on those metrics," Pritchard explained.

Metrics such as improved brand equity or trust ratings are also considered. And the good news is that if a campaign hits the right cultural buttons, it can be very cost-efficient.

"When you do it well – we found this – you don't have to invest very much money. In fact, we don't invest that much into any of these programmes. When they're culturally relevant, they get amplified. They get amplified by influencers, they get amplified by the media, they get amplified in social media. They ended up having an even higher ROI, in some cases, because you don't have to invest as much," Pritchard said.

Advertising can reinforce social messages over time

Diversity and inclusion have been hot-button issues in recent years. #SeeHer, a marketing industry movement for more representative portrayals of women and girls, has been making progress. Likewise, the

#SeeAll campaign encourages more ethnic and cultural diversity.

"One of the ways in which brands can make a difference on bias is through our advertising. There needs to be a consistent drumbeat of having accurate and realistic portrayals [of society], and then periodically taking a stand," he explained, adding environmentally-focused initiatives also need the "same drumbeat".

"Keep doing it over and over again. Eventually, those forces will start to take hold," he advised.

Marketers should review hiring and procurement practices

Internally, the drive for more balanced representation doesn't stop at on-camera talent. Just as P&G is working toward sustainability in its manufacturing supply chain, the company is also aiming for "equality in the creative supply chain," Pritchard said.

P&G is "just five promotions away" from 50-50 gender equality across its brand teams, from entry-level to director-level, he revealed. The company was a founding sponsor of the #FreeTheWork and #FreeTheBid initiatives, which seek to connect

“ We focus on growing the market, the users of our brands, market share, and then sales and profit. Those are the measures.

View from the inside: Marc Pritchard

creatives from diverse backgrounds with opportunities. Just 7% of TV commercials are directed by women, so P&G proactively sought to employ female directors for more of its advertising. Now, 21% of its commercials are directed by women, a number which Pritchard remains committed to improving. "I think that's something that every brand can do, and every company can do," he said.

Personal leadership can help speed up change

Pritchard has spoken in the past about the impact his Hispanic heritage has had on his philosophy toward diversity and inclusion. The work done for P&G's Tide brand about the labelling of Hispanics prompted Pritchard to examine his own Mexican

heritage and especially the privileges afforded to him by virtue of having a non-Hispanic name.

But not every marketing leader feels comfortable taking personal leadership on this issue, especially when the cost of getting it wrong can be high.

"Really examine your own personal history, and even biases, to become personally motivated and inspired about doing good," Pritchard advised. "By examining those things and being willing to talk about them openly, you create emotional safety for others to have conversations."

Alongside Damon Jones – P&G's Vice President of Global Communications and Advocacy, who has played had an instrumental role in developing P&G's purpose-driven campaigns – Pritchard recently met

with a group of potential P&G interns to discuss the campaigns, sharing personal stories and the motivations behind the brand's work.

"There were a number of people that came up afterwards and said 'thank you for doing that, because that creates the safety for me to talk about that,'" Pritchard said.

"It is important to note that it requires some practice. My advice would be to find people that you can create a trusting relationship with, so you can have these kinds of conversations, and do that in a safe place. When you do that, and you practice it and unpack some of these things, then you're better able to examine things and talk about them in an objective way."

“Really examine your own personal history, and even biases, to become personally motivated and inspired about doing good.”



More from WARC on these topics

Brands need to be serious on sustainability

It is vital that brands must act on their mission rather than just propose to. [Research by Accenture](#) had revealed that when consumers are disappointed by a brand's words or actions on a social issue, 53% will criticise the brand, 47% will walk away from using it and 17% will never return.

Purpose and data ethics are aligning

Ensuring that data are collected, used and shared in an ethical manner builds trust amongst your consumers and provides a solid foundation for more purposeful marketing. Brands [need to gain credibility](#) that goes beyond compliance to earn this respect.

Big advertisers are overhauling their internal structures and metrics

Mars is a good example of a brand putting together a new playbook of how to act as a responsible marketer. The company's [Marketing Code](#) ensures that its creative and media activities are subject to clear ethical guidelines. It has also developed [internal measurement projects](#) to track its progress on gender representation in its ads.

The background of the slide is a solid blue color. Overlaid on this background is a faint, semi-transparent image of a person's hands and arms writing on a whiteboard with a blue marker. The whiteboard has some illegible text on it, including the words 'Market' and 'Growth'.

Talent development & organisation

Talent Development & Organisation

Key challenge: ensuring that brands are well equipped with the talent and skillsets they need to succeed long-term.

Talking points

“The future we need to prepare for is not what exists today”

The skillsets of marketers need to be modernised if they are to have the confidence to build long-term brand health, as well as drive short-term success.

Balance between performance marketing and brand building

There is a level of foundational experience in newer marketing talent that is missing: performance marketing has become more important than creating brand stories and long-term brand health. How can this be rectified?

A three-part approach on skills development

- ⌚ Competency on foundational marketing skills (which will evolve over time);
- ⌚ Industry innovations – for example, channels or partners;
- ⌚ Marketing leadership skills such as change management or team motivation.

Making marketing an attractive career choice

Marketing isn't the top choice of talent anymore. There is a need to redefine the perception of a career in marketing to reflect the dynamism of the role and attract top talent who are more interested in start-ups, big tech or consulting. What is needed is a marketing campaign for marketing.

Ensuring more diverse marketing teams

To ensure brands have diverse marketing teams which reflect their consumers, there's a need to move away from the 'MBA pipeline' which tends to favour those of a higher socio-economic status.

Talent Development & Organisation



Elizabeth Rutledge – American Express, Alicia Hatch – Deloitte

Next steps

Define a marketing competency model

The industry should identify the key skills for success and integrate them into the academic environment, learning from real-life case studies.

Create standards of excellence or assessment tools

The industry must define what 'good' looks like, create content and certification to support participants, and push ongoing career development. It needs global consistency in standards, but at the same time initiatives cannot be too Western-centric.

Open up alternative talent pipelines to MBAs

Brands will need hands-on learning initiatives, getting students involved with practical knowledge at a younger age; there are lessons from Silicon Valley in how to approach this.

Develop a mentorship programme

CMOs should offer their time to support up and coming talent around the world.

View from the inside: Julia Goldin



Julia Goldin is Chief Marketing Officer at LEGO Group

By Anna Hamill, Senior Editor, Brands, WARC

Marketing as a career choice is struggling to attract the brightest talent away from consulting, big tech, or glamorous start-ups. Chief Marketing Officer tenures are short, and in many companies, marketing is struggling to demonstrate its value at the C-suite level – a particular problem in an age of shrinking budgets. How can the industry turn things around?

Julia Goldin, Chief Marketing Officer at LEGO Group, is co-leading the workstream addressing talent as part of the CMO Growth Council, an initiative by the Association of National Advertisers (ANA) and Cannes Lions (WARC's sister company).

"Over the last couple of decades, the role of marketing has really been marginalised," Goldin said in an exclusive interview with WARC. So tackling the ongoing talent crunch, and ensuring marketers have the right skillsets to ensure the long-term health of their brands, is key to the future of the discipline.

Marketing should be a modern and relevant career path

One of the priorities of the talent

workstream of the CMO Growth Council is to 'reposition' marketing as a career choice in order to attract people to the discipline.

There is, says Goldin, a misunderstanding of the role of the marketer. "Marketing is about much more than just taking a product and figuring out how to advertise it in the most effective way. The role of marketing at its very inception was about creating value. It was about understanding the human psyche, understanding human needs, and figuring out how to provide humans with unique benefits, bring unique benefits and experiences to the product, and then how to tell people about that in a very impactful way," she said.

These values are "as important today as they were 50 to 70 years ago".

"That is the crux of the issue: we need to bring marketing back to what its original purpose was. I feel that will be a much more interesting career for a lot of people."

There's also been massive change in how people manage their careers. The concept of a 'job for life' is long gone – there's a lot more freedom and many will change careers

“Marketing is about much more than just taking a product and figuring out how to advertise it in the most effective way.

several times over the course of their lives. Just because someone hasn't started their career in a marketing role doesn't mean they don't have valuable perspectives to add.

"We have a job to do, which is to reposition marketing: to make it modern, and to shine a light on the core competencies that make marketing so unique. I actually feel that within the current context, in terms of what people are looking for, we have a lot of opportunities to be able to apply the same skillsets in a lot of different settings to build a long-lasting career," Goldin explained.

View from the inside: Julia Goldin

“Every business will require great marketing in order to create great value.”

Foundational skills have been lost

In Goldin’s view, the rise of performance marketing and short-termism has distracted brands from the core principles of brand-building and creating long term value.

And many marketers now lack the confidence and the skills to build brands beyond the next activation.

With so much change in the industry, marketing talent needs to have a broad range of competencies – not just digital skills, but also customer experience, brand building and more. It’s not an either/or situation – Goldin emphasised the need to keep training marketing teams on the newest technology while keeping these foundational skills in mind. Social media ‘likes’ and sales promotions are simply not enough to ensure brand longevity in the modern age.

“Those are the foundations, there are things that we need to be able to lean into... that’s where I think we missed the boat as marketers,” Goldin said.

LEGO prioritises foundation competencies

At LEGO, Goldin is approaching talent development in three different competencies.

“The first bucket is the foundational skills: they are the same today as they were 50 years ago, and I believe they’ll be the same 50 years from now – for example, obsession with the audience and real customer-centricity,” Goldin said.

“The second is about brand-building: you need to know how to create value. Not just with creative

“ The foundational skills: they are the same today as they were 50 years ago, and I believe they’ll be the same 50 years from now – for example, obsession with the audience and real customer-centricity.

marketing campaigns, but what value you bring to the experiences with the products,” she said.

In LEGO’s case, this means an obsession with how kids engage with the brands. LEGO marketers need to be customer-focused in everything they do, Goldin said, and be dedicated to building a brand with real purpose across all touchpoints.

The magic that brings it all together is creativity: “What is so unique about marketing is it’s a real combination of art and science. It’s a real combination of left brain and right brain systems. You can’t just be fully rational and logical, there’s always a bit of magic that you need to be able to bring to create really interesting, innovative solutions,” Goldin said.

Tech and finance are areas for personal development

When it comes to providing more on-the-job practical learning, the CMO Growth Council is looking toward the likes of Silicon Valley, such as hands-on learning initiatives, getting students involved with practical knowledge at a younger age, and applying lessons from Silicon Valley and coding schools. These initiatives

will see marketing professionals rise through the ranks equipped with the skills they need to lead a brand into the future. Similarly, an initiative to get more CMOs involved in mentoring is set to make an impact.

Machine learning, artificial intelligence and voice technology are all areas where future marketers will need to be savvy: “We need to embrace and teach people the tools of the future so they feel comfortable operating in that future,” Goldin said.

To make it to the C-suite level, marketers need to be fluent in the language of business – not just the standard metrics of marketing. Goldin pointed out “really strong commercial thinking and integration skills” as imperative skills for marketers to move to the highest level. In an era of shrinking marketing budgets, they also need to be able to demonstrate the value of marketing investment on the company’s bottom line.

“Marketers are massive integrators because they need to make the connection between all of the innovation and value creation at that high level down to what it actually means in terms of results. They need to be able to speak that language.”



More from WARC on these topics

The shift to short-termism reflects a crisis of marketing confidence

While senior executives generally believe in the power of strong brands, [a survey from the Financial Times](#) found that few know how to achieve brand strength: 50% perceived the knowledge of brand building in their boardroom to be average or worse. On top of this one-third of senior marketers rated their understanding of brand building as average or worse – confirmation that the shift to short-termism is a talent and skills issue, as well as an investment issue.

Diversity disappears among senior leadership roles

The Association of National Advertisers found that the US marketing industry still lags behind in many areas of diversity and representation.

[Analysis](#) of 17 board member companies revealed that the companies skew highly towards female employees. (63% female, 33% male) However women still lag behind in terms of leadership roles.

Ethnic diversity is poor throughout the companies. Seventy-two percent of marketing leadership positions were held by non-Hispanic whites – a group that represented 69% of the total employee mix.

As the role changes, marketers can't lose sight of the consumer

[Accenture research](#) identified a group of high-performing CMOs who manage to make 'customer-centricity' happen, whether that's adapting the enterprise architecture, building experiences, or adopting new technologies. These CMOs are highly collaborative and data-focused.



Brand innovation & creativity

Brand Innovation & Creativity

Key challenge:
emphasising and
quantifying the positive
effects of creativity and
innovation for a brand.

Talking points

Five key pillars to drive brand growth

1. **Putting people first:** bringing back human insights into marketing and reemphasising human-centric marketing in a highly digital and technology-driven era.
2. **Creativity:** emerging challenges such as personalisation at scale, and the need for a new measure to track the long-term impact of creativity on a brand, rather than just short-term metrics.
3. **Seamless brand experiences:** creating products, services and brand experiences which exceed expectations. Major opportunities lie within the media space to use e-commerce and programmatic to drive immediate transactions.
4. **Innovation:** boosting the rate of innovation within brands and creating KPIs to track progress.

5. **Redefining the foundational tenets of marketing:** mapping capabilities, rethinking how they are measured in terms of KPIs, and preparing the next generation of marketers to deliver against them.

Bringing science into the craft – getting measurement right for long term brand health

There is an industry concern that short-termism is a major problem for brand health – marketers must be equipped with long-term KPIs, not just short term performance metrics. Finding the balance is key for long-term brand success – many brands have lost their way on this in the digital era.

Marketers need a better way to measure the long-term equity of their brands, and whether that is changing over time as a result of their various initiatives. This would be more effective in shifting the conversation from short-term management to long-term management, and avoiding the threat of budget cuts on brand investment.

Emphasising genuine human insights

Brands need to prioritise genuine human insights – rather than post-rationalised insights developed to support an innovation push. This helps avoid a situation where the market ends up inundated with solutions looking for a problem. This is especially important for B2B brands.

Revising the mission of the CMO as a trustee of the brand legacy

The rise of the Chief Growth Officer has led marketers to question how they stay relevant to the C-suite and avoid being made obsolete.

Brand Innovation & Creativity



George Hammer – IBM, Fernando Machado – Burger King, Tony Rogers – Sam's Club

Next steps

Define long-term KPIs for brand health

Industry-agreed metrics on what makes a brand healthy will help brands avoid the damage of a short-term focus.

Quantify the language of brand value to the C-suite

Valuing the brand as an asset and defining a measure of brand values that can find its place on balance sheets and especially in conversations with CFOs.

Implement a centralised resource for creative inspiration and best practice

The CMO Growth Council will look to develop a Global Centre for Brand Innovation – a centralised resource for best practice, innovation and case studies to inspire brands.

View from the inside: SY Lau & Mathilde Delhoume



SY Lau is Senior Executive Vice President/Chairman of Group Marketing at Tencent



Mathilde Delhoume is Global Brand Officer at LVMH

By Stephen Whiteside, Managing Editor, Reports & News, WARC

Online connectivity is now available everywhere from mobile phones, TV sets and smart speakers, to cars, refrigerators and even washing machines.

This shift towards digital ubiquity is transforming how people live, work and shop by linking “everyone and everything”, according to Seng Yee (SY) Lau, Senior Executive Vice President/Chairman of Group Marketing at Tencent, the Chinese technology company. And that process, in turn, has colossal implications for entire societies, as well as businesses in every conceivable industry,

“Human societies today are crossing from an industrial civilisation to one that is focused on digital civilisation,” explained Lau, who serves on the brand innovation and creativity workstream of the CMO Growth Council – a joint initiative led by the Association of National Advertisers (ANA) and Cannes Lions (a sister company of WARC).

Brand-building is key in the digital age

For marketers, the impacts of this epochal change are starting to

take shape. A case in point is the rapid growth of ad-free streaming platforms like Netflix, Amazon Prime and YouTube Red, which are claiming an ever-growing share of attention and (indirectly) reducing the ability for brands to reach their target audience.

Another example: algorithms and recommendation engines are familiar parts of the current online landscape. But their role will become more pronounced as consumers make purchases using voice-enabled devices. In these environments, buyers may not wait to hear more two or three search results, or else opt for automatic replenishment, meaning people stick with the same brand out of sheer inertia.

Finding a way into a shopper’s consideration set or replacing an existing brand on an automated shopping list will, therefore, be a challenge – not least because tech platforms will generally decide which information is originally presented to consumers. In this world strong brands will matter more than ever.

“We have to simply get back to the foundational canons of brand building through powerful creativity, [as] informed by rich insights. [It’s]

View from the inside: SY Lau & Mathilde Delhoume

less about doing digital marketing as we know [it], and more about doing creative marketing in a highly digital way," Lau said at a session held at the 2019 Cannes Lions International Festival of Creativity.

"Brand-building is central to creating sustainable brands of the future. This is an opportunity, because, at the heart of this [agenda] is marketing, creativity and innovation that surprises and delights the people that we serve today."

Brands have lost focus on human needs and human desires

If everyday life is increasingly digital, restoring the "glory" to marketing rests on the discipline becoming more human, argued Mathilde Delhoume, global brand officer at the luxury giant LVMH.

"What do we need to do? We need to foster a new model. We need to create deeper connections with people," said Delhoume, who spoke alongside Lau at the 2019 Cannes Lions as part of the CMO Growth Council's brand innovation and creativity workstream.

Her recommendation to brand custodians was to "forget about" the

industry's traditional distinctions between business-to-business and business-to-consumer marketing. Instead, she said, the emphasis should fall on "business-for-human marketing" that works "for" people, rather than pushing messages "to" them.

"We need to go back to human needs and human desires. And let's face it: many of us have lost focus on these issues," Delhoume said.

Priority 1: refocus on the long term

Three core principles can assist practitioners in turning "business-for-human marketing" from an attractive philosophy into a reality.

A first priority, Lau said, is to "revive" the mission of the CMO. Marketers' prime responsibility, he stated, is to be the "trustee of the brand legacy". While the pressure to attain short-term growth is undeniable, it is thus incumbent on marketers to remain vigilant, and guard against sacrificing long-term brand equity on the altar of immediate results.

From a top-level perspective, that necessitates developing "a human-centric strategy [and] taking full

ownership of a brand experience journey from end to end," Lau said. As well as pursuing mass awareness using broad-based advertising, this new approach involves "customer-level personalisation" at scale.

"That, however, requires significant, fundamentally different skillsets that, unfortunately, many of our marketing colleagues around the world don't have and need to learn on the job," Lau said.

The other challenge is metrics – namely, the lack of industry-agreed metrics for measuring progress in building a brand, and working out the value of a brand. Brand innovation and creativity are not the preferred language of the C-Suite. "Marketers... must learn the language of how to engage around the drivers of business growth," said Lau.

Priority 2: refocus on the 'craft' of marketing

A second component of the revised brand-building playbook, Delhoume asserted, involves the "craftsmanship" in marketing. "We used the word 'craftsmanship' on purpose, because it requires courage; it requires perseverance;

“ We need to go back to human needs and human desires. And let's face it: many of us have lost focus on these issues.

View from the inside: SY Lau & Mathilde Delhoume

it requires a dedication to the pursuit of excellence," she continued.

The first step for brand custodians, she added, is to identify a brand's underlying purpose. Next, they have to deliver on it in a manner that is based on "real, deep human connections", and demonstrates their commitment is genuine and lasting.

"Bringing purpose to life also means something else: it means to create products, services, and experiences that far exceed expectations," Delhoume said. New technologies, in particular, can support brands in moving beyond purely transactional engagements, and instead supply compelling, personalised solutions and activations that yield enduring consumer relationships.

“There is nowhere else on earth today where digital marketing is as diverse, challenging, dynamic and daunting compared to the market of China.

Priority 3: use data to improve insight

The third strategic priority is blending the creative strengths of marketing with the insights generated by incoming streams of digital data. Indeed, Lau, suggested, true "craftsmanship" is premised on applying scientific rigor on the path to uncovering ideas that may never have emerged without these hard numbers.

"True craftsmanship is not only about an art but more importantly also a science – a science requiring structure, and logical deduction, and logical thinking," he said.

Learning from China's digital mavens

Members of the CMO Growth Council, Lau revealed, believe that China can offer invaluable guidance to marketers in other countries. "There is nowhere else on earth today where digital marketing is as diverse, challenging, dynamic and daunting compared to the market of China," he said.

Tencent, which was founded in 1998 and posted revenues nearing \$44 billion in 2018, is truly enmeshed in this process. Its operations include social media, e-commerce, gaming and digital music. And, as a consequence, Lau is well-placed to delineate the main learnings from China's digital market:

- **Tech-driven value innovation:** China's "internet plus" approach seeks to apply digital technologies in legacy industries, and so discover new business models and opportunities.
- **Always-on consumption:** Digital engagement is effectively a "lifestyle choice"

that sees new technology become deeply embedded in countless day-to-day tasks. WeChat, the mobile app, has been at the forefront of this revolution, as it enables people to fulfill various wants and needs – from checking their bank balance to ordering a cup of coffee for delivery – in one place.

- **Smart retail:** Retailers are integrating online and offline services – from data management to media to payments.
- **Social, sustainable marketing:** Creating value for consumers and society as a whole is essential.
- **New marketing skills:** As the definition of "marketing" expands, practitioners must be involved everywhere from R&D to product delivery and after-sales service.



More from WARC on these topics

Brands should benchmark spend against the 60/40 'rule of thumb'

Researchers [Les Binet](#) and [Peter Field](#) have shown that the optimum split in marketing investment is 60% for long-term brand building and 40% for short-term activation. The most profitable and successful campaigns support both volume (through short-term activation) and price (through long-term brand building), but the optimum balance of spend varies between categories.

Short-termism is creating a 'crisis in creative effectiveness'

[Recent research](#) from the Institute of Practitioners in Advertising argues that creativity is now less effective at delivering very large business results in comparison to previous years. The problem is "disposable creativity" – short-term campaigns, often stunt-driven, where the investment stops after only a few weeks. The argument is that this type of creativity is not in the market long enough to build an impact on the brand.

IAG in Australia is putting the theory into practice

Insurance Australia Group (IAG), the insurance provider, [is conducting a two-year test](#) in a bid to discover the impact of shifting budget into building its brand. IAG plans to identify a specific region of Australia in which it will invest 80% of its budget in brand-building work, in response to the advice of marketing researchers.

Data & technology

Data & technology

Key challenge: developing in-depth knowledge on how data and technology can positively impact brands.



Deborah Wahl – General Motors

Talking points

Identifying knowledge gaps

Most senior marketers are not as familiar as they need to be with the intricacies of data and technology – there are major knowledge gaps that need to be bridged so that CMOs are equipped to make the right decisions.

Opportunities for shared practice and resources

There is a lack of centralised best practice and learning opportunities around this area – this knowledge can be shared to move industry understanding forward.

Next steps

Collaborate on a playbook on data and tech

Develop pragmatic and helpful resources to bring marketers up to speed with how data can be utilised effectively and in line with regulations.

Keep the pressure on platforms for greater transparency

Getting the big companies who own the data that brands work with (Google, Facebook, Adobe, Salesforce and others) to be more accountable around their practices.

View from the inside: Raja Rajamannar



Raja Rajamannar is Chief Marketing Officer at Mastercard

By Anna Hamill, Senior Editor, Brands, WARC

Efficient use of data and technology has the potential to supercharge a brand's marketing, but it's absolutely vital to get fundamentals such as data privacy right before pushing forward, according to Raja Rajamannar, Chief Marketing Officer at Mastercard.

Rajamannar is co-leading the data and technology workstream of the CMO Growth Council, a collaboration between the ANA and Cannes Lions (WARC's sister company).

Rajamannar believes there are lessons from his own experience at Mastercard on implementing a data and technology strategy. Managing expectations on investment and measurability are key, he believes, warning that a "marketer's appetite (for tech) is much bigger than their budget".

Prioritise privacy and regulatory concerns before moving forward

The most important priority for the development of any data and technology strategy is that privacy and regulatory concerns about data are well in hand. Only when these fundamental expectations are resolved and clear can brands embrace the opportunities that data

can bring, Rajamannar believes.

Mastercard, as one of the world's largest financial brands, is sitting on a mass of data. But with that comes huge responsibility to get it right.

"On data, first and foremost, you have to think of privacy. Have systems and practices in place. Make sure that you are deeply respecting every aspect of data privacy, then use the wonderful technology to embrace the data," Rajamannar said.

"One thing that we have done at Mastercard is to have tight collaborations before we took over the data. Data serves not only marketing, but a whole bunch of other areas in the company. It stands centrally with Operations & Technology, and we leverage it. We have dedicated people within the O&T function who take care of all our needs, and we plot it out very methodically and systematically," he said.

Connecting the dots with disparate data sets, he said, can be a "humungous exercise."

"If you look at the marketing value chain, today, there are a lot of intermediaries between the marketer and the publisher. If you look at

advertising, each intermediary takes his cut off the economics. Plus, they bring in an extra layer of friction and non-transparency," Rajamannar said.

"The key thing is: how do you make sure that you can (use) technologies like the blockchain, disintermediate, and also bring more efficiency and transparency?"

Don't be afraid to consult the experts

Rajamannar said that when it comes to adtech, Mastercard isn't working on a proprietary product and is relying on third-party data stack and consultants to inform them of best practices elsewhere. Having a bird's eye view of a data and technology strategy can be difficult as different service providers add layers of confusion or bureaucracy. For the busy marketer – or their time-starved boss setting the overall strategy – making sense of this complexity can seem near-impossible.

"The first issue is the divergence of data sets, and how disparately they're organised. That is a big one. Number two is enabling technologies that are not standardised. Number three, each company has a different technology

View from the inside: Raja Rajamannar

“Your extended team has to be your agency partners. Treat them like a true extension and a true part of the leadership.”

stack,” Rajamannar said, also adding that turf wars over which data stack to use sometimes occur.

“By the time those developments or modifications happen, it can take a long period of time, depending on what the expected, projected and committed return on investment is.”

Take the time to align internally

One way to combat sluggish internal processes is to use effective external partnerships and outsource to experts, Rajamannar suggested, but marketers need to work to bring nervous internal partners with them.

“We had to find processes that are very agile to push these initiatives through. Some of it was to convince our own O&T go to external vendors you have to manage that dynamic and make sure that you are joining hands and doing it together, as opposed to trying to do something and having O&T tell you that’s a lousy solution,” he advised.

“There is a lot of navigation that needs to be done to carry your partners with you – that is a big part. The actual technology itself is not a big problem, because they’re all fairly modular, and you can join

them together fairly easily. It is the emotional barriers in the gaps that are more significant.”

Focus on the data and technology trends impacting your business

As the financial services category evolves at lightning speed, brands such as Mastercard need to be across developments including artificial intelligence and cryptocurrencies.

“Mastercard acquired two companies which specialise in artificial intelligence. They are also – fortunately – very proficient on the AI deployed for marketing. So, we are now beginning to do some cool stuff to understand, predict and optimise things in real time,” Rajamannar said.

Marketers shouldn’t be afraid to educate themselves on the key areas, even if they are utilising third parties to help get it done within their own brands.

“What you don’t know, you can’t ask. Educate yourself and update yourself. We have to be very careful to have a clarity of purpose and vision. Ask about things that you don’t understand,” Rajamannar said, adding that being able to understand

and create “specific and tangible” briefs on tech-driven initiatives is also important.

Top performers ally data and creativity

Now more brands have a solid data and technology infrastructure, the advantage lies in using that technology to drive creativity.

Rajamannar recommended brands call on the expertise of their agencies, which work with a wide variety of clients and can also be useful sources of insight into which approaches have worked in different categories.

“Your extended team has to be your agency partners. Treat them like a true extension and a true part of the leadership,” he said.

“The agencies have the advantage of working with wonderful clients, they see more solutions that are being developed elsewhere.... agencies have a lot more depth in technology-based solutions than we normally give them credit for. They always have some good surprises up their sleeve. They’re creating concepts and programs for consumer engagement. Brands should try to look at them,” he advised.



More from WARC on these topics

The duopoly take 60%+ of online spend

One in four advertising dollars is paid to the Google/Facebook duopoly and this is rising. They are [expected to share 61.4% of the online ad market](#) this year. They control what are considered the most effective online channels: social and search. The likeliest challenge to their power is the rise of Amazon as an advertising platform.

Brands have 'overinvested' in tech

[A study from Forrester](#) argued that marketers need to redirect a significant portion of their tech spending to agency creativity in order to more effectively build their brands. By reallocating \$19 billion from tech budgets to agency creativity over six years, Forrester believes the industry can drive greater growth.

Marketers should be preparing for 'privacy by design'

Europe's GDPR – and similar legislation emerging in other markets - has [changed the way](#) brands think about data ownership, security and privacy.

Data has become scarcer. While this makes data more valuable, it also means that the challenge associated with getting consumers' informed consent and monetising that data has increased.

In the emerging privacy-focused landscape, data ethics should be positioned as core to a business and practised at each stage of the customer journey from product development to customer service.

The pivot to privacy means multi-touch attribution (MTA) will get harder as companies like Google, Amazon and Facebook restrict cross-platform tagging for their proprietary solutions.

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- 🕒 [The WARC Media Awards](#)
- 🕒 [The WARC Awards](#)
- 🕒 [The WARC Prize for Asian Strategy](#)
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Warc.com is an online service offering advertising best practice, evidence and insights from the world's leading brands. WARC helps clients grow their businesses by using proven approaches to maximise advertising effectiveness.

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