



THE RACE IS ON

To be CMO of the Future

accenture^v

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FOREWORD BY NILS MICHAELIS

**Managing Director and Innovation Lead, Products Operating Group,
Asia Pacific, Africa, Middle East and Turkey, Accenture**

When a sprinter takes his position at the track, his entire body becomes a tightly coiled spring, poised to launch.

After a brief pause, the pistol fires.

The moment this happens, his brain takes about 150 milliseconds—less than a blink of an eye—to process. It sends electric currents pulsing down his body, activating his powerful muscles and sending him into full flight.

Like on the running track, businesses in today's technology-fuelled environment is all about speed. How fast companies react to slight shifts in demand, how early they see the changes that need to be made, and how quickly they adapt to disruption will determine if they become a winning sprinter.

In this race to the top, marketers have become critical. They have to anticipate the challenges ahead, stay close to their customers, and align their efforts to support the larger goals of the business. And they have to do this all while technology bolts ahead, compressing the time available to make decisions.

In this study, we spoke to the Chief Marketing Officers to find out what their challenges are, and how they are coping with the demands of the job. We also wanted to find out whether, amid this need for speed, the location of their marketing hubs mattered, especially with shorter time-to-market requirements.

To this end, we partnered with the Singapore Economic Development Board (EDB) and tapped our combined network of partners across industries and geographies to get a sneak peek into the future of marketing. And through our benchmarking study of the top marketing cities globally, we uncovered how these cities are positioning themselves and what their CMOs are getting right.

Indeed, the job of the CMO has never been more challenging, or more fulfilling. CMOs have a tremendous opportunity now—a chance to reinvent their roles and secure future growth for their companies in this challenging environment. It will be an exciting journey—embracing the chance to evolve and adapt ahead of the curve, at the speed of customers. The time for marketers to take action is now.

THE FUTURE OF MARKETING

01

The role of the new CMO

In an age of disruption, businesses are faced with a host of new and unfamiliar challenges. Industries are being transformed amid technological advancements and rising competition, while stakeholders and customers are constantly demanding for more, with routes to markets becoming increasingly complex.

The pace of business has accelerated, yet growth has slowed.


Because these changes come on the back of evolving customer behaviour and needs, and because the marketing function is responsible for delivering customer-centred growth, the Chief Marketing Officer (CMO) is perfectly placed to spearhead the future.

Simply put, the role of the CMO has become more critical than ever.

Many CMOs will be charged with finding new ways to innovate, drive growth, and demonstrate the value that marketing can bring. Building and maintaining a brand that is top-of-mind for consumers, for instance, can be a huge advantage for a company in a saturated market.

The good news is that most of the CMOs polled in our research feel energised and positive about their jobs. Nearly half of the respondents said they are confident that they and their team are well-prepared to deliver on the business objectives expected of them in the next three to five years, with clear strategies and plans in place.

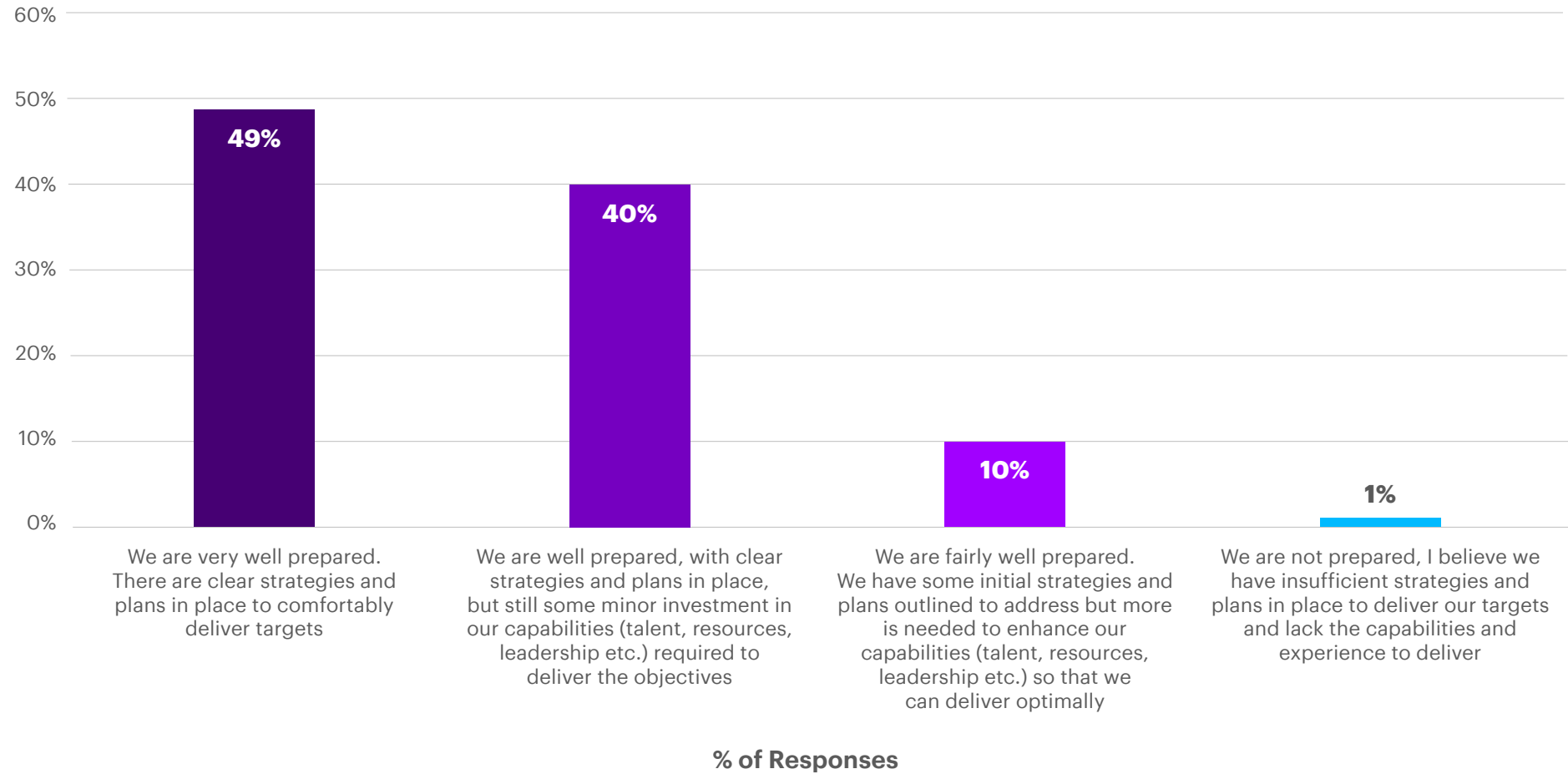
In Asia, the strategy is focused on a local-first approach, which means being close to the customers and tailoring to their needs, while still being aligned with global objectives of the company. As Asia becomes increasingly critical to organisations' growth and global operations, anchoring themselves in the region has taken on added significance.



“The leading organisations of the world today are those that have the ability to disrupt themselves.”

Harriet de Swiet, Managing Director,
Brand Learning Asia Pacific –
Part of Accenture

Figure 1: Future state: How prepared are you and your current Marketing team to deliver the business objectives expected of you 3-5 years from now?



Preparing for the future

At Lazada, the diversity of our workforce is a source of strength. When we have two candidates who are both equally qualified, we usually hire the one who brings something unique to the table. In marketing, it's really about being able to think out of the box, so you need a variety of talents, skillsets and experience in the team to drive innovation and differentiate yourself from the competition. Marketers also need a deep understanding of the commercial aspects of the business, the technology, the operations and so on, so we can make the best decisions and advise our internal stakeholders accordingly.

Jean Thomas, Chief Marketing Officer,
Lazada Singapore and RedMart

Marketing as the architect of growth

Our study highlighted four areas on how Marketing is driving growth.

Organisations at the top of their industry, comprising 20 per cent of our survey, see marketing as the growth-driver function which shapes the end-to-end customer experience, regardless of industry, size, spend or location. And CMOs recognise this—hence the need to develop more sophisticated capabilities and expertise in order to deliver on the overall business strategy.

The results showed that organisations are focused on deepening sophistication in areas critical to the marketing strategy and operations. These include traditional marketing competencies such as brand-building and creating relevant customer experiences, as well as emerging areas such as automation, analytics and Artificial Intelligence (AI). This is made possible through talented teams of specialists working collaboratively across the business, enabled by the latest marketing technologies.

However, there are still gaps between the current skillsets and performance in these areas, against what is required for them to meet future aspirations.

Talent and new ways of work

Growth cannot happen if the marketing function is not resourced by the right skillsets.

As organisations look at developing more sophisticated capabilities, they will need to attract the talent with different skillsets and behaviours to meet future needs—a challenge that many organisations struggle with today. By 2020, over one-third of the desired skillsets for most jobs will be those not yet considered crucial today¹.

In particular, capabilities tend to be weaker around new or emerging technologies and behavioural skills like entrepreneurship, and creative areas like content production, according to the study. Key roles such as marketing analytics and digital commerce are the hardest to acquire and retain².

The future of marketing not only requires different skillsets but also entirely new ways of working. Companies will have to look at hiring new people, upskilling existing staff, and even harnessing the power of AI and robots to augment roles.

Whatever the approach, the ability to draw talented people—who can think creatively, analytically, seek out new ideas, and deliver decisive action—will remain a key factor for success for companies.

The importance of digital

With technology integrated into nearly every aspect of life and the consumer purchasing decision today, the digital agenda has become a key priority for marketers.

About 66 per cent of marketing leaders said in the study (Future of Marketing) that collaboration and alignment with the Information Technology (IT) function is high.

And the benefits are obvious. Marketers are turning to technology to drive out cost inefficiencies, power data and analytics, and boost productivity. Technology investments are particularly important for those in Commercial & Professional Services, and Banking & Finance.

Yet, our research indicates that technology is a missed opportunity for many organisations—being unable to fully unlock the value of technology. Rather than tap on technology to serve customers in new ways and, in turn, raise revenues, many firms see it simply as a tool to reduce costs. CMOs agree that they need to get better at finding new sources of growth that stem from new or advancing technologies.

Case study: Sephora

Multinational beauty chain Sephora is lauded as a leader in retail for its ability to innovate and tap the digital revolution to transform the shopping experience for the consumer.

Beyond being an early adopter of e-commerce, Sephora has used new technologies to create differentiated in-store experiences as part of its seamless and robust omni-channel strategy.

Customers are allowed to try on make-up using a mobile app that taps on augmented reality³. Its new digital stores feature pint-sized robots that “greet” the customers and hand them a card that serves as a virtual shopping basket⁴. These stores, while smaller in physical size, boast a digital catalogue of over 14,000 products that customers can browse online, while shopping inside the store.

Data amassed from these experiences have helped Sephora better understand and serve customer needs. As Mary Beth Laughton, the company’s head of omni-channel retail said: “The power of using that data to better appeal to (the customer) at every touchpoint and understand her in a deeper way enables us to create these experiences that she cares about across our channels. Loyalty is a data-driven system, so that’s hugely powerful.”⁵

With over 2,500 stores across 24 countries, Sephora holds the title as the world’s No.1 specialty beauty retailer today.

Regionalisation as the key to relevance

An organisation that is fit for the future is nimble, strategic, and relevant.

To stay abreast of the competition, companies need to crystalize their objectives and put in place the necessary strategies, structures, talent, technology and innovation measures to support the pursuit of these goals.

All of this means that more strategic marketing decisions will be made regionally in the future—which CMOs are starting to recognise.

A sharper focus on regionalisation means marketers get the freedom and agility to experiment with their strategies. They can cater to the differences in the markets they operate in and employ a differentiated approach, while still working in line with the company’s global marketing goals.



A STUDY OF GLOBAL MARKETING CITIES

02

In our study of 10 major cities around the world, New York emerged as the top hub for marketing activities, with a score of 8.6 out of 10. Big brands and small firms alike compete to put down their roots in the Big Apple. London came in second. Jobs at highly-reputable marketing and advertising agencies at these locations are fiercely contested among some of the world's brightest and most capable professionals.

On the global list, Singapore was placed fifth, on par with Amsterdam, with a score of 6.91 out of 10.

Within Asia, Singapore was ranked the highest, as the most competitive marketing hub—thanks to its strengths in infrastructure and macroeconomic status, a fast-growing tech ecosystem, and the ease of doing business, amongst others.

The world's best cities for marketing

Ranking	City	Score (out of 10) ⁶
1	New York	8.60
2	London	8.05
3	San Francisco	7.73
4	Chicago	7.47
5	Amsterdam	6.91
6	Singapore	6.91
7	Sydney	6.77
8	Hong Kong	6.53
9	Tokyo	6.16
10	Shanghai	5.41

What makes the world's top marketing hubs?

What works?	What doesn't?
<p>1. NEW YORK</p> <ul style="list-style-type: none"> • World-class infrastructure • Strong presence of brand owners • Robust marketing ecosystem 	<ul style="list-style-type: none"> • Marketers today look for hubs outside of the US to cater to needs of the growth markets in particular
<p>2. LONDON</p> <ul style="list-style-type: none"> • Global financial hub • Best tech start-up ecosystem in the European Union • Strong presence of brand owners 	<ul style="list-style-type: none"> • Uncertain future for London due to recent political situation, some businesses may consider moving to another hub in Europe
<p>3. SAN FRANCISCO</p> <ul style="list-style-type: none"> • Touted as the most influential city of the future • Best tech start-up ecosystem globally • Competitive talent pool 	<ul style="list-style-type: none"> • Housing unaffordability/crisis
<p>4. CHICAGO</p> <ul style="list-style-type: none"> • The “city of broad shoulders”—Cosmopolitan city with strong work ethic • Healthy tech start-up ecosystem • Large, good-quality talent pool 	<ul style="list-style-type: none"> • Illinois’s recent financial crisis (caused by unsustainable state and local pension debt) makes Chicago less attractive for companies
<p>5. AMSTERDAM</p> <ul style="list-style-type: none"> • The city is leading the race for dominance as the next European business hub • High quality of life and job security • High demand for workers with advanced marketing technology skills 	<ul style="list-style-type: none"> • Fledgling start-up ecosystem



What works?

What doesn't?

6. SINGAPORE

- Strong tech start-up ecosystem
- Multicultural and multilingual
- Robust business environment and creative services ecosystem
- Ease of doing business

- Potential cost pressures

7. SYDNEY

- A tightly-knit network—one of the world's most connected ecosystem
- Fluency in English

- Venture capital funding is relatively low

8. HONG KONG

- Global financial hub
- Strong work ethic
- World-class infrastructure

- A lack of attractive marketing job openings, poor job security and work-life balance is a drag on the city as a destination for marketing career opportunities

9. TOKYO

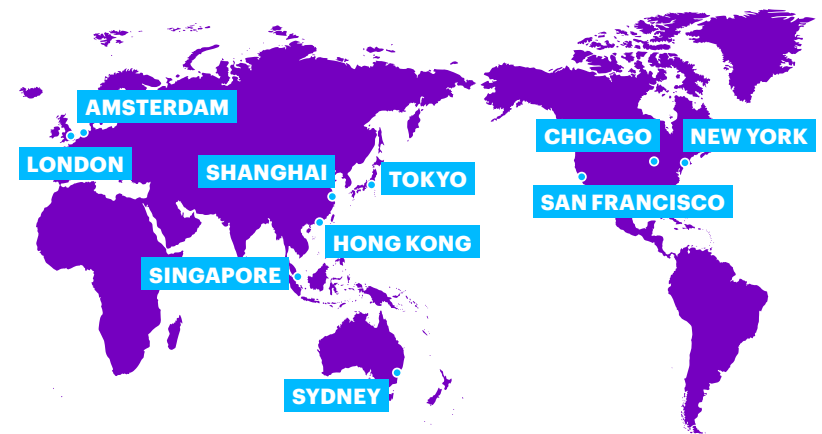
- Advanced, well-developed infrastructure
- One of the world's most advanced metropolitan areas, and not just in Asia

- Being slow to open up to foreign talent could work against the city's ability to attract world class companies

10. SHANGHAI

- The city is a key player in China's high-tech ecosystem that has produced the likes of Didi Chuxing, JD.com, and Ant Financial Services Group (Alibaba affiliate that was formerly known as Alipay)
- Mature digital landscape
- Attracts healthy foreign investment as part of the China growth story

- Lower level of English proficiency, although the city is becoming more metropolitan in nature



A winning model for the future

“The idea is you need people who are close to the action to build a deep empathy for the healthcare provider and patient. Creating the experience journey is not easy because you’re dealing with a whole raft of stakeholders. How we map these experience journeys, how we communicate, when we communicate—each has to be different”.

Sean Carney, Chief Design Officer,
Royal Philips N.V.

Experiences, rather than simple outcomes, will be the key deliverables for agencies looking at the future. The winning formula will be combining the ability to craft new experiences, develop new business and operating models and leverage on technology through the use of new platforms and eco-systems.

The developed economies came in at the top end of the spectrum, boasting a high capacity to draw talent, a strong presence of brand owners, and a robust marketing ecosystem, among others. Singapore, Hong Kong, Tokyo and Sydney also fared well in terms of infrastructure readiness with Singapore at the top of the list when it came to talent, marketing innovation, stability and liveability.

The one thing that stood out across all the cities surveyed was a high level of interest and investments in marketing innovation. Many were open to new approaches and saw innovation as a priority, especially in today’s ever-changing world.

As Brian Whipple, CEO of Accenture Interactive, put it: “Brands are no longer built through advertising but through an amalgamation of interactions that consumers have across a complex web of touch points. Today, marketing is therefore omnipresent across all business functions. The best brand experiences are personalized, meaningful, and improve lives, yet the current application of martech for good is quite inconsistent.”⁷

A woman with curly hair, wearing glasses and a bright yellow sweater, stands in an office. She is looking down at a document or laptop screen. The office environment includes desks, a green chair, and various office supplies. The overall tone is professional and focused.

THE EVOLUTION OF THE CMO

03

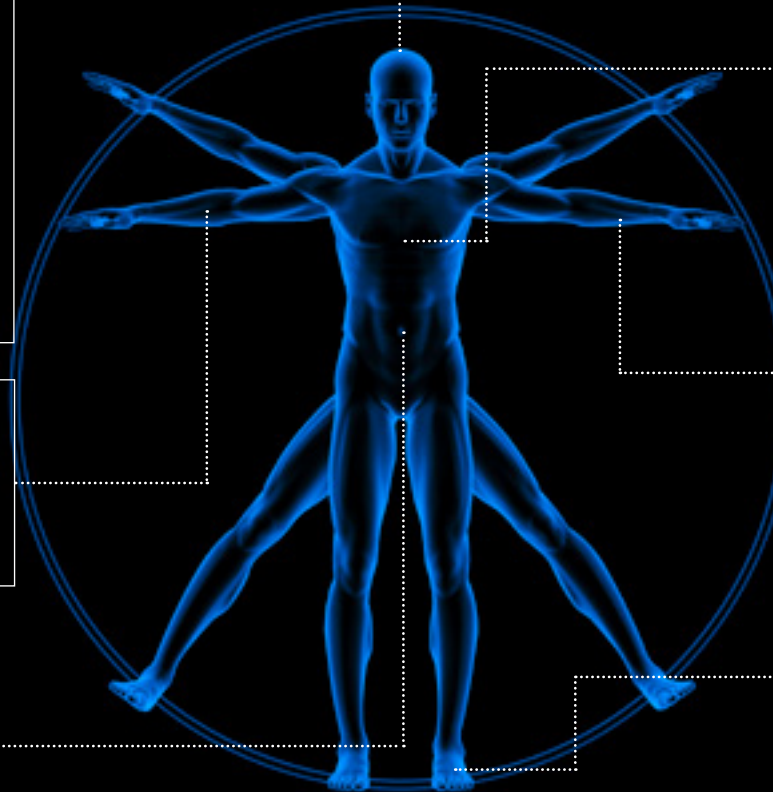
What does the CMO of the future look like?

An exceptional leader. Courageous, collaborative and committed leadership. Able to inspire teams that are bound by a common sense of purpose, while managing a diverse range of challenges.

Analytics-led, digitally-powered. Leverages analytics and uses digital marketing to enable agile, timely and relevant marketing.

Strategic integration. Ensures that marketing aligns strategically with the business agenda. Articulates a clear vision and role for marketing.

Embraces technology. Invests in technology platforms to enable operations, build operational scale, gain efficiencies, or deliver new business models.



Adopts customer-centric marketing. Fosters a culture where the customer sits at the heart of all decision-making. Designs and delivers relevant customer experiences across all touchpoints.

Outcome-focused. Demonstrates the commercial contribution and value of marketing to the overall business results with a clear return on investment.

Innovative and agile. Enables the organisation to adapt quickly and roll out more flexible processes, shorter cycles, and the closed loop (“test & learn”). Encourages behaviours such as entrepreneurship and decision-making.

Talent as a key priority. Scarce skills are consolidated in-house and complemented with external ones. Recognises and nurtures talent, attracts and motivates high-quality people.

A small but growing group of CMOs are leading the way.

The role of the CMO is already changing. As many as 90 per cent of today's Chief Executive Officers (CEOs) and CMOs believe the function will change fundamentally over the next three years.⁸

Exceptional marketing leaders are recognised for driving the business forward, leading the best ways of working by example, moving with agility and speed, collaborating internally and externally, and courageously pursuing ambitious goals and opportunities.

They make up just 17 per cent of some 1,000 CMOs interviewed in our Way Beyond Marketing 2019 report⁹, who have seen big successes in delivering highly relevant customer experiences. What sets them apart from the rest is their ability to drive growth and transform their business into what we call "Living Business"¹⁰—one that continuously adapts with speed and scale to achieve total customer relevance and sustained growth.

These pioneering CMOs are transforming their businesses in three ways:

1 Reinventing for the now and the new—taking over the reins of innovation and disruptive growth.

Increasingly, CEOs expect their CMOs to be at the helm when it comes to finding new sources of growth. About 31 per cent of CEOs have such strong expectations today, compared to 25 per cent in 2016¹¹. They are 28 per cent more likely than their peers to be spending more time on managing disruptive growth, and 27 per cent more likely than their peers to say that their primary expertise is in being an innovator—one who looks at using emerging

technologies to grow the business. In actively rethinking their own roles, they see themselves not just as operators, but also as visionaries charting the business of tomorrow.

2 Rejecting a broken marketing culture—challenging conventional wisdom and the status quo.

Even as CMOs understand the need for disruptive growth, the often risk-averse culture of their organisations can hold them back. Pioneering CMOs are those who dare to pull away from the pack. They focus on getting the right capabilities in place to deliver exceptional customer experiences and deploying and developing the best talent to achieve that goal.

As a result, these CMOs crack the code on what it means to stay relevant, by infusing their brands with a clear purpose and meaning that is aligned with their customers' values. Consider that nearly half of the top 40 brands at Unilever focus on sustainability¹². These brands grow 50 per cent faster than the company's other brands and are responsible for delivering over 60 per cent of the company's growth.

3 Rewiring their operating models for growth—unlocking value by driving collaboration.

Our research found that the pioneering CMOs are also more likely than their peers to fundamentally transform their marketing operating models. They recognise that a requisite for unlocking growth is to break barriers—whether they are silos within the marketing function, dissonance between the marketing function and the rest of the company, or unrealised opportunities with agencies and ecosystem partners.

With one goal in mind—to deliver the most relevant customer experiences—they build alliances with other functions in the

“As marketing leaders, we need to drive a culture of continuous improvement, be brave, lead from the front, reduce the processes, and hire fresh talent. Because you need to be ready for the future.”

Michael Duffy, VP and Category Lead for Pain Relief, GSK

organisation, from human resource to sales, finance, IT, and others, to develop and implement the necessary systems and processes.

This same level of value-driven collaboration applies to their external partner relationships, which they view as a critical driver of business growth. The pioneering CMOs are 17 per cent more likely to expand beyond traditional agency partners; and 18 per cent more likely to be engaged with the possibilities offered by digital platforms.

3 companies that got it right by doing things differently

Royal Philips

Undertook a massive overhaul, transforming from a diversified electronics conglomerate in the mid-90s to a global leader in healthcare technology.

GSK

Leveraged technology and digital innovation to build a customer experience journey not just for consumers/end-users, but within the business-to-business world.

Lazada/RedMart

Established a highly-responsive and agile system where multiple initiatives across various aspects of the business (from technology, operations, marketing to user experience) are rolled out at a go, and then iterated with improvements along the way, which helps the company keep pace and compete in a fast-moving industry.

A woman with long dark hair, wearing a bright red jacket, is shown in profile from the chest up, looking upwards and to the right. The background is a blurred cityscape with tall buildings. The overall tone is aspirational and forward-looking.

**NO BETTER TIME
THAN NOW**

04

“For big brands, Singapore makes sense as a key testing hub. The Republic’s melting pot of diverse cultures and peoples allows products to be tested quickly and efficiently across different sections of their customer base. The country’s central location also means that companies can launch, test, figure out, and quickly relaunch to market with small tweaks in minimal time.”

Nils Michaelis, Managing Director and Innovation Lead, Products Operating Group, Asia Pacific, Africa, Middle East and Turkey, Accenture

With the heart of the global economy increasingly shifting to Asia¹³, the focus on locating the next global marketing hub in the region is critical.

And whilst New York remains the undisputed global hub for most companies, Singapore is rapidly positioning itself as the hub of the future.

The role of the CMO has become critical, and its importance will only continue to grow as organisations become more and more customer-centric. In a world where the future is uncertain, the CMO gets the opportunity to chart new territory and break new ground. More importantly, he or she can effect change at the organisation and forge the way for the future.

The Future of Marketing in Singapore: What's next?



The cradle of marketing leaders

Singapore stands out for its ability to attract talent, as well as the depth of the existing talent pool. The country continues to develop a quality marketing talent pool with solid technical skills, while investing in underlying behaviours (such as ingenuity and adaptability) for productive performance. The key here is for Singapore to leverage its broad consulting, academic and client-based ecosystem to position itself as the location for developing future marketing leaders.



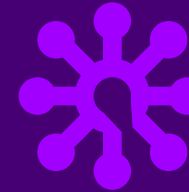
A testbed for innovation

Innovation is the seed of growth. Singapore can play a pivotal role as a global and regional testbed for innovation. Being geographically contained means companies can enjoy a cost-efficient launch, while the city's diverse cultures provides organisations with insights into different segments, all in one place. Its connectivity enables rapid data collection and analysis, and its agility allows for quick iteration and rapid testing.



Becoming the "Silicon Valley" of marketing

Singapore's ability to bring together some of the most influential actors in marketing—from top multinational companies to academic institutions, global design, digital and marketing agencies—is a strong advantage. The country can forge an even better ecosystem for the future by leveraging its technology strengths and its geo-cultural position. Think of it as the Silicon Valley of marketing, both physically and virtually.



A powerhouse in marketing technology

That Singapore has established itself as a regional powerhouse for technology in recent years is not new. The opportunity for Singapore lies in the role it can play in developing marketing technologies of the future. Showcasing how Singapore is uniquely positioned to nurture innovative tech-based marketing solutions and strategies will set it apart from other locations that are similarly fighting for a place on the global tech stage.

About Research

Accenture conducted a self-assessment questionnaire across 8 geographies with 250 Chief Marketing Officers (CMOs), Chief Innovation Officers (CIOs) and Chief Digital Officers (CDOs) between Oct and Dec 2018. Respondents spanned 5 industries: Consumer Goods (51%), Information Technology (20%), Banking & Finance (13%), Commercial and Professional Services (8%) and Healthcare (8%). All were from companies with US\$1 billion or more in revenue. This was supplemented by secondary data sources. Countries covered in the questionnaire: Australia, China, Hong Kong, Japan, New Zealand, Netherlands, Ireland, Singapore, United Kingdom, United States and Thailand. We would like to thank everyone who helped shape this study and its recommendations.

About Accenture

Accenture is a leading global professional services company, providing a broad range of services and solutions in strategy, consulting, digital, technology and operations. Combining unmatched experience and specialized skills across more than 40 industries and all business functions—underpinned by the world’s largest delivery network—Accenture works at the intersection of business and technology to help clients improve their performance and create sustainable value for their stakeholders. With approximately 477,000 people serving clients in more than 120 countries, Accenture drives innovation to improve the way the world works and lives. Visit us at www.accenture.com.

About Brand Learning

Brand Learning, now part of Accenture, builds the capabilities of people and organizations in Marketing, Sales, Digital, HR and Leadership to deliver growth. We have partnered with over 160 organizations including Shell, Unilever, PepsiCo, Novartis, HSBC, Grab and GSK to help them shape the future and build the capabilities to make it happen in practice. Visit us at www.brandlearning.com.

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