



REUTERS EVENTS™

# Future Marketing: C-Suite Aligned, Visible and Primed for Growth

Featuring insights from AT&T, Samsung Electronics America, UScellular and Amazon's Blue Origin, and the latest research from KPMG Customer Advisory

Sponsored by



Customer  
Advisory



In the world of modern marketing, change is continuous and rapid innovation is lighting the way for new ways of doing business. To drive successfully into the next generation and beyond, however, demands thoughtful investment, flexibility and true visibility of spend. Above all it requires that marketing and finance, but also the wider C-suite, build bridges, not walls. In the coming pages, marketing leaders from global brands share their thinking, and how they are rising to these challenges.

## INTRODUCTION

Amid budget squeezes and rising costs, in 2023 the relationship between marketing and finance has been a fragile one.

Continued macroeconomic uncertainty has put pressure on the top line, and as finance teams have hunkered down to protect the bottom line in the short term, marketing was an easy place to cut from.

The year started on such a footing, with a [Gartner report](#) in May finding that 71% of chief marketing officers (CMOs) lacked sufficient budget to execute their strategy, while 75% expected to do more with less.

As the year draws to a close, that reality has left its mark, according to a study from KPMG and the CMO Council – [Marketing & Finance: Fueling Innovation or Falling Behind?](#) Of the 275 marketing leaders surveyed across sectors and geographies, a paltry 10% “strongly” believe their current investments will position them to emerge from economic turmoil ahead of the competition. In addition, despite galloping technological advancements, only 16% feel “very confident” in their ability to make fast and agile investments.



However, while all too often the knee-jerk reaction of finance is still to slash spend, the future for marketing organizations may not be as bleak as it seems. With the rise of artificial intelligence (AI), machine learning, and data and analytics, marketing today can be tested, measured and quantified, and savvy brands are seeing the benefits. It is clear too that when marketing and finance do align it is good for business with benefits including higher sales, stronger engagement, greater innovation and competitive edge.



# FIVE WAYS TO ALIGN MARKETING WITH BUSINESS SUCCESS

## 1 C-suite alignment is the innovation sweet spot

If finance holds the purse strings and marketing has a finger on the pulse of markets and buying behavior, then a strong collaboration between marketing and finance is a no-brainer. This relationship is certainly tied to innovation – the KPMG-CMO Council survey found that more than three-quarters (76%) of marketing leaders in a strong marketing-finance partnership were either “satisfied” or “very satisfied” in their ability to innovate versus just 27% of marketers in less effective partnerships.

Janna Ducich, SVP Marketing Planning & Operations at AT&T’s Marketing & Growth Organization and former CMO of Cricket and AT&T Mexico, knows from experience that business is better when finance and marketing, and the wider C-suite, speak a common language. For this to work, however, marketing leaders have to clearly define their role. “We have to make ourselves accountable, and demonstrate financial impact on the business so we can prove marketing is an investment not a cost,” she says.

It means making marketing integral to business decisions and vice-versa. At mobile network operator UScellular, Eric Jagher,

**“WE HAVE TO MAKE OURSELVES ACCOUNTABLE, AND DEMONSTRATE FINANCIAL IMPACT ON THE BUSINESS SO WE CAN PROVE MARKETING IS AN INVESTMENT NOT A COST”**

- Janna Ducich, SVP Marketing Planning & Operations, Marketing & Growth Organization, AT&T

SVP and Chief Marketing Officer, says: “Whether it’s day-to-day operations or strategic priorities, there’s nothing that we do that doesn’t require involvement across the organization.”

A strong relationship between the chief marketing and financial officers is the right approach, according to Jason Galloway, Principal, Customer Advisory Lead, KPMG US, but not always the most popular. “In high-performing companies all members of the C-suite are aligned on the most important metrics,” he says, “but all too often, they (finance) are the most skeptical (about marketing)”.

In innovative organizations this is changing. Veteran marketer Bill Kircos, who joined Blue Origin, the aerospace company founded by Amazon’s Jeff Bezos, as CMO this year says: “The beauty of marketing today is that it’s digital ... and that means you can measure it, you can test it.” In the aerospace industry, where military, pilots, engineers and manufacturers “live and die by analytics and data, marketing can now have quantifiable conversations with the C-suite”.

Marketing all-rounder Janet Lee, who has held roles in consumer packaged goods, biotech, beauty and now as SVP

and CMO at Samsung Electronics America, takes a nuanced view. “Oftentimes, marketing is at odds with finance because they are incentivized to focus on the short term. That’s part of the nature of their function,” she says. However, while marketing is “a spending team” at Samsung, it is also a “driver of business objectives”. It contributes to everything from long-term business goals such as brand health and increased relevancy to target audiences, as well as generating short-term demand for new launches.

**“WHETHER IT’S DAY-TO-DAY OPERATIONS OR STRATEGIC PRIORITIES, THERE’S NOTHING WE DO THAT DOESN’T REQUIRE INVOLVEMENT ACROSS THE ORGANIZATION”**

- Eric Jagher, SVP and CMO, UScellular



LUCKY AI/ADOBE STOCK



## 2 A focus on fundamentals – and the metrics that matter

At its core, marketing today is still about delivering a message in the right way, to the right person or business, and with maximum impact. However, to thrive requires timely access to accurate and integrated customer data, as well as transactional information and market intelligence to inform marketing investments. Yet just one in four KPMG-CMO Council survey respondents say customer data is co-owned and shared seamlessly between marketing and finance. Furthermore, nearly a third (33%) are hesitant, even indifferent, to collaborating on investments, goals and metrics.

In the current climate, organizations need an aggregated executive-level dataset with business-focused key performance indicators (KPIs) – anything from number of sales to recruitment, share price or shareholder value. They must also understand that not all metrics are sales metrics. For example, brand metrics such as net promoter score (NPS), which ranks the likelihood of customers recommending a product or service to a friend, reveal where organizations sit within the wider competitive framework.

“Marketing must be aligned with the organizational definition of success, and the key metrics are those that drive the organization, not what drives marketing,” Galloway from KPMG stresses.

While approaches may vary, depending on the sector or organizational structure, Lee from Samsung advises going back to the marketing basics of segmentation, targeting and positioning. “Focus on customers, know your audience, and what you are offering,” she says. She also believes that the “the operational side of marketing, which is the foundation for all great ideas, is very much underrated”. In short, it’s crucial to iron out inefficiencies, in terms of both time and costs.

At UScellular, marketing’s goal is to drive traffic to its website, stores and telesales. “My number one job is to make sure that we’re offering a compelling value proposition, which means ensuring a competitive network, strong pricing and a customer experience that is defined by transparency and flexibility,” Jagher says. Like any group, marketing and advertising incurs



***“MARKETING MUST BE ALIGNED WITH THE ORGANIZATIONAL DEFINITION OF SUCCESS, AND THE KEY METRICS ARE THOSE THAT DRIVE THE ORGANIZATION, NOT WHAT DRIVES MARKETING”***

**- Jason Galloway, Principal, Customer Advisory Lead, KPMG US**

cost but overall it is viewed as a revenue source. So, its “core objective” metrics are tied to the overall business, namely: gross adds (numbers of new customers added); net adds (gross adds less churn); and operating cash flow.

Lee, on the other hand, sees no single KPI or metric that tells the full story. “Based on my experience, most of the (vendor) KPIs that come with your media buy and creative production are, I would dare to say, useless,” she says. Her objective is not to buy the cheapest media, or even the most cost-efficient, it is to drive impact. “If there was a way to measure cost-per-impact that would be a really meaningful, reliable metric,” she says.

Measuring influence has proved particularly tricky. As Lee sees it, none of the KPIs that come with the typical influencer activation, such as engagements or impressions, actually measure influence. So, when Samsung recently teamed up with artist and designer Jaden Smith to launch limited-edition accessories for Galaxy devices, there was no automated way to filter for different comments. “Our agents had to manually count anything that could be seen as comments about product desirability,” she explains. It is, therefore, incumbent on brand and marketing teams to create their own internal measurements and methodologies.

Jagher agrees. At UScellular there are sub metrics related to the revenue of all product offerings marketing is responsible for. Hence the group tracks everything from communications to awareness, familiarity and consideration. “This is where net promoter score comes in,” he says

AT&T’s approach is to have a scorecard that, says Ducich, “ladders up to our marketing priorities and business objectives”. A balanced scorecard ensures a tight focus on a consistent set of short- and long-term metrics that work in concert. By setting short and long-term goals, and always circling back to the needs of the customer, the team is able to learn, iterate and create streams of revenue and profit, benefiting both the customer and the business.

### 3 Brand equity and empathy drives value

Recent [IPSOS research](#) finds “conclusive proof” of a strong link between a positive corporate reputation and business efficiency. It is also a clear advantage in a crisis; more than half (51%) of respondents who place significant trust in a company would definitely give it the benefit of doubt versus just 10% who felt neutral. There is also clear evidence of a strong relationship between trust and marketing efficiency. Not only are customers more open to marketing messages from organizations they trust, they are also willing to pay a premium for those products.

Achieving that relationship is rather more challenging, however. As Galloway at KPMG explains: “Without true visibility into what is being planned, committed and actually spent, marketers cannot shift focus quickly when world events demand it.”

The recent supply chain crisis, for example, caught many companies erroneously marketing unavailable products, which led to poor customer experience and wasted dollars. “It also created an impression that the brand lacks empathy,” says Bret Sanford-Chung, Managing Director, Marketing Advisory, KPMG.

On the empathy score, organizations are slipping, according to KPMG’s recent U.S. [customer experience excellence \(CEE\) study](#). In 2023, all sectors experienced a decline in empathy scores with the greatest decrease seen in utilities, which fell by 11%.

Increasingly, however, more CFOs are realizing that, as an operational metric, brand strength and brand health are important factors. “The more evolved ones understand that it has a direct impact on share price, and on the ability of the corporation to do business in their space,” Sanford-Chung says.

**51%**

of consumers that that trust a company would give it the benefit of the doubt in a crisis

IPSOS

### HOW USCELLULAR IS BUILDING INFLUENCE TO DRIVE IMPACT

When UScellular launched its Built for Us campaign in 2021, it had a clear goal to position itself as a “challenger brand”.

“We wanted to make sure that people knew what we stood for, and what differentiated us,” CMO Jagher explains. In short, the aim was “to help people make a genuine connection, and to stand against this notion of people being constantly connected to their devices”. Core to the campaign was the “put phones down for five challenge”, which dared people to take a break from their device for a period – five minutes, five hours or five days. Earlier this year, UScellular worked with A-list actress Ashley Tisdale who took a five-day break from her device, and catalogued the experience. Some of the results from the campaign include:

**37%** of existing customers felt the campaign improved their opinion of UScellular

**58%** of non-customers had the same response

**400+** million brand engagement impressions to date

While Jagher recognizes the need for strong transactional and performance advertising it should not be the “easy route”; there also needs to be “a constant drip of equity advertising”.

As UScellular gears up for the last sales push of the year and the holiday season, a primary focus will be device sales. However, equity advertising will ensure there is a continued focus on what differentiates the brand from others. The Built for Us campaign is helping to achieve that goal. “As of June 2023, our net promoter score is higher than the big three carriers in our footprint and significantly higher year-on-year,” Jagher says.





## 4 Advancing tech, skills and a single source of truth

Today, marketing is a much more real-time function than it used to be. So, while the fundamentals may be the same, the core skills are different. “Two or three years ago, no marketer was using AI, nor were they trained to be a really good prompt writer,” says Blue Origin CMO Kircos.

Jagher, who has held roles in operations, sales, finance and marketing, believes marketing still needs people focused on brand advertising in mass communications but on a daily basis they also need analytical and quantitative skillsets.

“We’re constantly testing different offers in different markets. We have to ensure that we’re setting up those tests properly, so we can analyze the results and improve,” he says. In a costly business like mobile, the group is constantly adapting to make promotional spend more efficient, drive more transactions, more gross adds and lower churn. Key to this is maintaining a tight relationship with finance counterparts using the same data sources.

AT&T’s Ducich sees a single source of truth as “extremely important”, arguing that marketing technology (martech) is the “greatest enabler when it’s streamlined and unified across the company”.

While establishing a single source of truth might sound simple, the reality is quite different, warns Sanford-Chung. However, instead of boiling the ocean or aiming for perfection, she calls on brands to use the data at hand, establish quick wins, and possible routes, while measuring return on investment (ROI) incrementally.

Generative AI implementations and understanding how they fit into business use cases is a current opportunity. Although cost takeout is one goal, as with any new technology shrewd marketers are considering where it makes sense. “My approach is to leverage AI to do the iterative, more manual or tactical work, so I can do more of the strategic and creative work,” Samsung’s Lee says.

AT&T is exploring use cases for both traditional and generative AI. “We’ve already seen measurable progress in lowering customer support costs, unlocking software development efficiencies and improving our network design,” says Ducich.

At UScellular, AI and machine learning are being used to personalize offers to retain existing customers and also upsell. During recent Super Bowl playoffs, the company used AI technology to see how many people were focused on their devices, rather than watching the play on the field.

More than **16,000** fans missed touchdowns throughout the game

During halftime, **6,182** fans were watching their phones instead of the show

In the final stretch, **4,347** fans were looking at their phones instead of the winning field goal

Says Jagher: “We used that same technology to allow influencers on social media to re-enact plays in the Super Bowl that people missed because they were focused on their phones.”

However, a worrying finding from [Gartner](#) is that as marketing leaders face continued pressure to cut investments, martech utilization has plummeted to 33%, “creating risk and drawing CMOs into a choice of how to respond”.





METAMORPHOSIS/ADOBE STOCK

## 5 Change, communication and the need for speed

Any change is hard, but it is also continuous, and it is often underinvested. So, while having the right skillsets in the right seats is important, Galloway says “organizational modeling is not a one and done thing”. Nor is there one organizational structure that works for all, not even within sectors. Multiple questions need consideration: is the company global or local; what is the culture; where are they in the growth cycle; what are they hoping to accomplish?

The way marketing is organized specifically, where it sits and what it sits with, is another evolving issue.

As Kircos at Blue Origin sees it: “The goal of marketing has to be an integrated, albeit tailored, path to every audience – from employees to customers and news media, and even policymakers, investors, social media influencers and suppliers.” At Blue Origin, everything from internal communications, customer marketing, public relations, social media and website content falls under Kircos’s CMO umbrella. Such an approach avoids the risk of latency at best or, at worst, communication of disparate goals, focus areas and messaging. “That just can’t happen in the digital age where news stories, stock prices and employee knowledge happen in second and minute cycles. Speed matters,” he says.

### TOP TIPS FOR EMBEDDING ORGANIZATIONAL CHANGE

- OVER-COMMUNICATE**  
 The marketing rule of seven applies. Whether its email or training, a “brown bag” informal lunchtime meeting or a one-on-one, say it seven times.
- DELIVER IT FROM THE C-SUITE**  
 Serious changes demand C-level backing. They should deliver the message, champion the change, practice the KPIs and share their experience.
- SHARE TANGIBLE EXAMPLES**  
 Early internal wins help to show marketers “what’s in it for them”. It also helps to show impact on partners and customers.
- DRIVE CROSS-FUNCTIONAL EFFORTS**  
 Expertise is needed from every corner of the marketing organization – from pricing to emotional, operational and field readiness considerations, as well as vendor involvement. If the reasons for change are clear, people are more invested, engaged and motivated.
- EMBED IT IN ANNUAL TRAINING**  
 Competition for talent and high levels of attrition mean that all too often, just as change is embedded, newcomers must be on-boarded. A basic test can be used to exempt those that don’t need training.
- CELEBRATE AND REWARD THE WINS**  
 Recognize and reward the change champions, and allow them to rise, motivate and inspire others.

Yet, business communication is still one area where marketing is failing. A 2022 report on the state of business communications from [Grammarly and The Harris Poll](#) found that miscommunication costs U.S. businesses \$12,506 per employee per year. Furthermore, a worrying 84% say poor communication results in lower productivity, missed deadlines and increased costs.

## AT&T SHARES LESSONS IN MARKETING EFFICIENCY AND EFFECTIVENESS

A first step in any successful enterprise transformation is to define a clear strategy. In AT&T's case this was to "connect people to greater possibility" by becoming the best connectivity provider. This simply stated goal was one the group's marketing leaders could get behind but words are hollow without action and the means to measure success.

Over the past few years, AT&T has done the hard graft. "We've honed in on the fidelity of our measurement and technology practices so we can optimize the efficiency and effectiveness of our marketing spend," says AT&T's Ducich.

In the fast-moving world of marketing, more change is inevitable. With solid foundations laid, AT&T is quietly confident that it will emerge from these challenging times ahead of the competition. Some of the lessons learned along the way include to:

- **DOUBLE DOWN ON FOUNDATIONAL CAPABILITIES**

Unlocking enduring customer-driven growth is the mantra of marketing at AT&T. To address this requires thoughtful investment in people, process, data and technologies. According to Ducich, data-driven insights have been instrumental in driving action, and delivering visibility of spend on human and other resources. Zero-based budgeting, which requires approval of all expenses in each accounting period, is one approach that is working for AT&T's new marketing projects, and "really drives accountability", she says.

- **HARNESS COLLECTIVE EXPERTISE, AND FUTURE-PROOF TALENT**

One early lesson was historic siloed approaches that underutilized AT&T's collective expertise. Another was that outsourcing certain skills had left holes in marketing strategy. By adopting a data-driven, integrated and consistent end-to-end approach, marketing is now better able "to use and infuse" homegrown expertise at every point in the journey. Up-skilling internally is also a top priority,



BARGAIS/ADOBE STOCK

as is nurturing a future talent pipeline. AT&T's Marketing Excellence Program, for example, gives undergraduates and graduates from across the U.S. the opportunity to rotate through the marketing organization to gain insight and key skills. When there are specific needs, there is always external support.

- **INVEST EARLY AND CONTINUALLY IN CHANGE MANAGEMENT**

When you're championing transformational initiatives, never underestimate the importance of change management, which, says Ducich, "is absolutely critical to driving adoption". It doesn't end either, and "heading into next year we will continue to ramp up as we start to drive wholesale adoption of new tools and processes".

- **LEARN FROM LEADING BRANDS AND EXPERTS**

"We will take a best practice from anywhere. We're not shy about that," Ducich says. Inspiration has come from brands such as P&G, McDonald's and Diageo as well as the subscription models of insurance companies like State Farm. The group also relied on KPMG expertise to align marketing with finance. Not only has the partnership brought increased transparency to its marketing spend, "it's really bubbled over into overall marketing transformation and change management," she says.





VADYMSTOCK/ADOBE STOCK

## CONCLUSION

History's lesson is that investing more in marketing and advertising during an economic downturn is good practice. [Research from Ehrenberg-Bass](#), the Australia-based Institute for Marketing Science, finds that when brands halt advertising for a year or more, sales fall on average by 16% after one year, and 25% after two years.

In these inflationary and unpredictable times, top lines are under pressure. Choosing where to direct spend can be a delicate balance between survival and growth. Yet as Samsung's Lee puts it: "There are enough historical data points to know that we should be investing more aggressively in better customer experience, deeper brand positioning and reinforced brand equity."

To ensure their voices are heard, Galloway at KPMG says marketers "have to be comfortable making data-driven

decisions so they can prove their right to keep the seat at the table". One of the biggest issues is when CMOs are reporting data that the CFO sees as irrelevant.

Ultimately, transformation comes down to change management and achieving organizational buy-in, and one of the toughest challenges is getting people on board with a new model. The C-suite has to back change through action and clear, convincing communication. It may be that organizations need to restructure and ensure that incentives are aligned.

In the prevailing climate of uncertainty, marketing organizations are under pressure to prove the impact of their investments. To this end, marketers must begin to speak the language of the C-Suite. However, as Lee sees it, "finance (also) needs to align more with marketing."