

2017-18 Marketing Talent Trends Report

White Paper
CEB Marketing Excellence Survey

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The data is a reflection of over 90,000 marketers who have been measured since the turn of the century (with further studies around digital and content capabilities since 2014.)



2017-18 Marketing Talent Trends Report

CEB Marketing Excellence Survey

Executive Summary

Marketing has evolved rapidly in the past decade as technology has changed the way consumers interact with businesses. In addition, new Marketing talent has seen some significant shifts in background, training, and education. Marketing organizations that can adapt to these changes and upskill their talent accordingly can set themselves apart from the competition.

This is the first annual Marketing Talent Trends Report by CEB, now part of Gartner, outlining the change in competency readiness across the Marketing function. This series will illustrate where companies are investing in talent development, what perceived barriers to marketing excellence exist, and what core fundamentals in marketing are necessary to drive corporate growth today.

Talent Investment Is the Top Driver of Growth

Top-performing companies focus their marketing investments on growing and upskilling marketing talent.

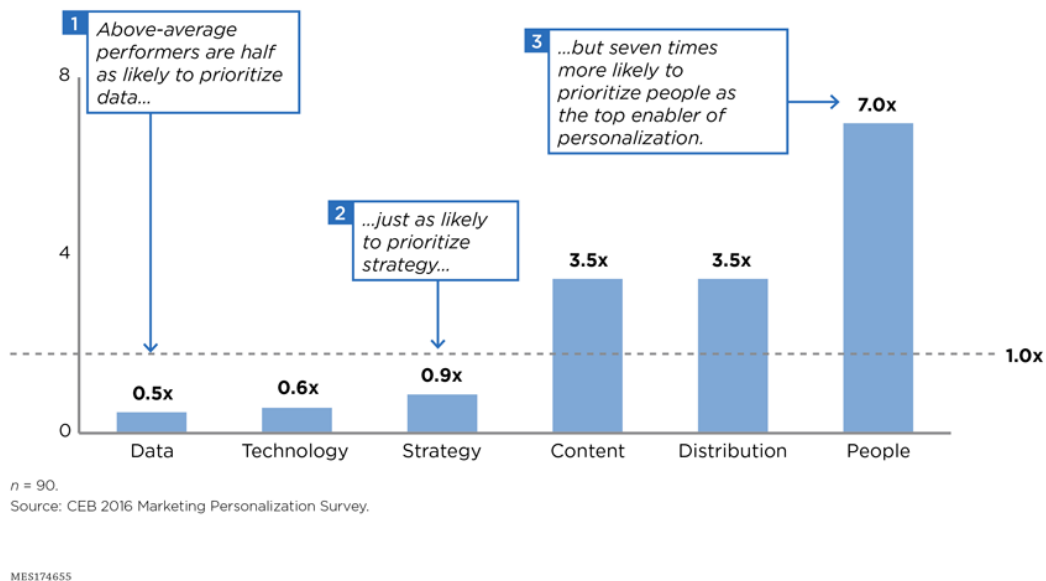
We started our research into trends that drive marketing growth by focusing on the current marketing climate to understand what the best companies were doing. We specifically studied how they were using the three major business levers available: systems, processes, and skills.

What emerged from quantitative data, regression analysis, and qualitative feedback was quite logical: without the right skills, systems and processes are redundant. In fact, top-performing companies were seven times more likely to have prioritized people as

the top enabler of good digital personalization, placing it well above data, technology, and strategy (figure 1).

With that knowledge, we focused in on the talent strand of driving growth.

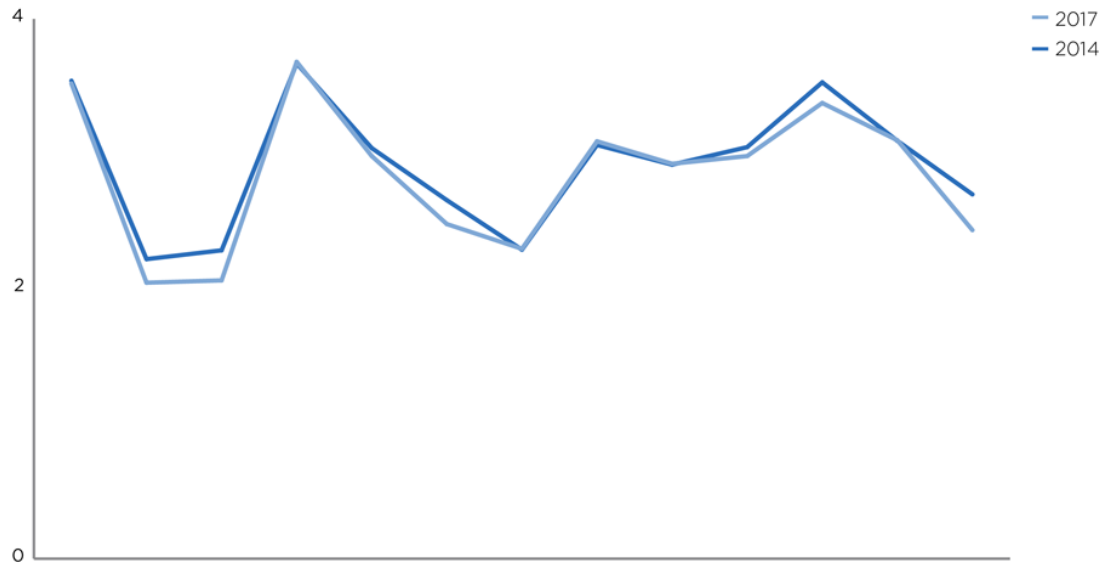
Figure 1: Likelihood of Being Selected as a Top Enabler of Personalization
Above-Average Performers Compared with Below-Average



Investments Needed for Growth

Companies are currently spending more than ever on systems and technology—between 7% and 10% of their entire budget. The bulk of this is going toward digital investments, particularly those around personalization. Despite this robust increase in investment, our 2017 data shows little to no improvement over the past three years in marketers’ core understanding of the digital landscape or their understanding of the right principles and behaviors to harness in that environment (figure 2).

Figure 2: Digital Scores—2014 to Present

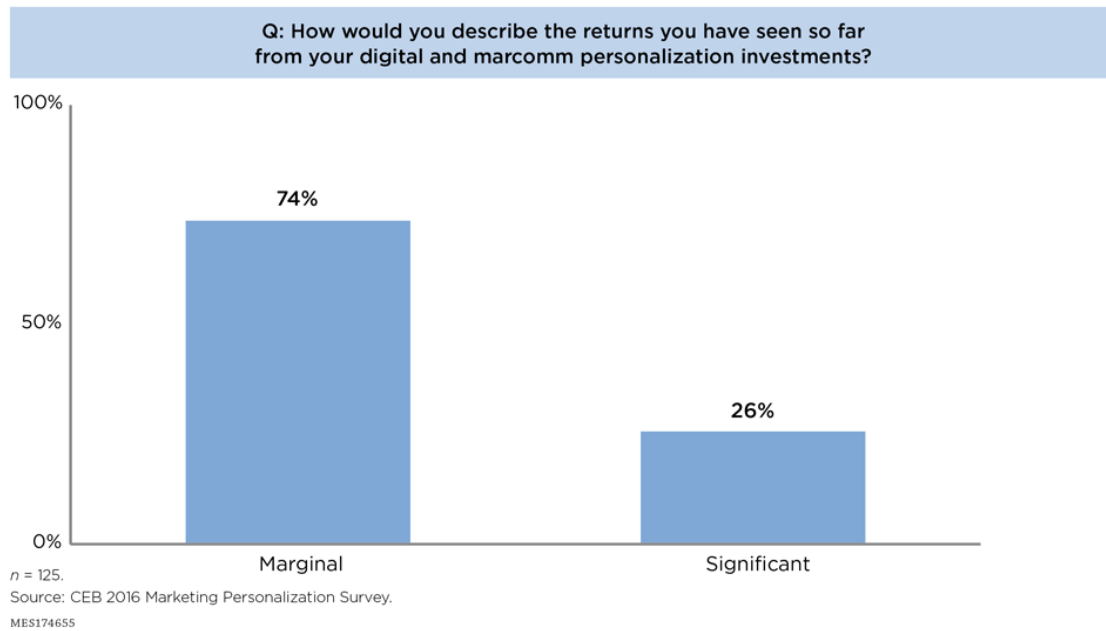


Source: CEB analysis.

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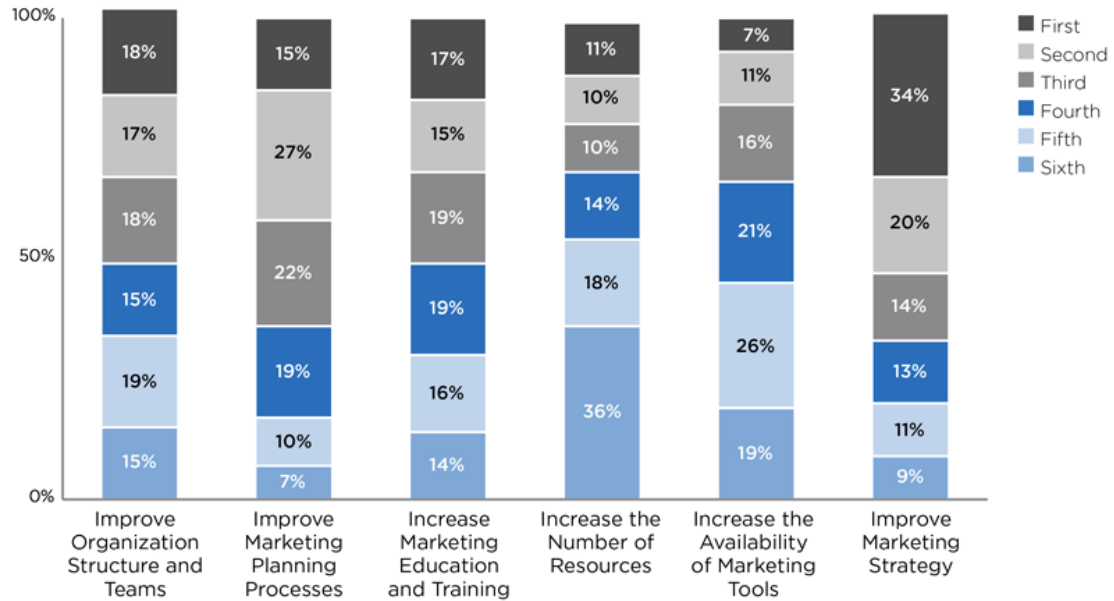
Given this focus of financial and energy resources on digital marketing efforts, it's alarming to see that returns are not measuring up to those investments. In fact, only 26% of CMOs say they get significant returns on their digital personalization efforts (figure 3).

Figure 3: Returns to Date from Personalization Investments



Interestingly, marketers identified strategy as the greatest organizational-level barrier to reaching marketing excellence (figure 4). The barrier cited least was the availability of marketing tools. In essence, marketers are telling us **they don't need more data**, more machines, or more systems; they need to be upskilled to use the tools they already have.

Figure 4: Organizational-Level Tasks Needed to Overcome Marketing Barriers
 Percentage of Respondents Selecting as a Top Need

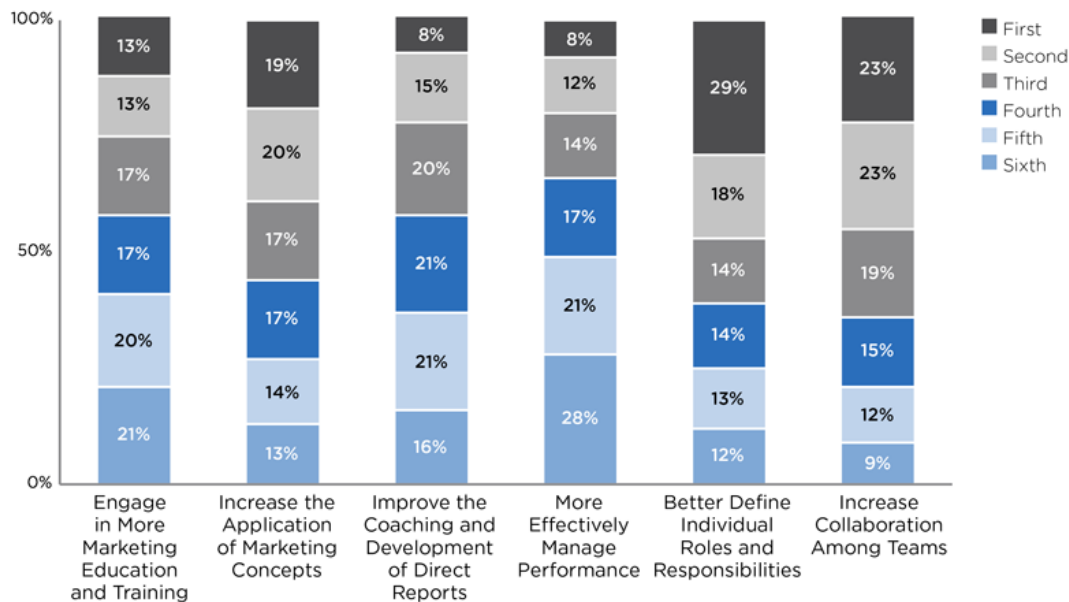


n = 93,000 marketers.
 Source: CEB analysis.
 Note: Totals may not equal 100% due to rounding.

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Meanwhile, better defining roles and responsibilities and increasing collaboration among teams were the most frequently cited individual-level barriers to marketing excellence (figure 5). People do not know how to work together because they don't understand what their colleagues do.

Figure 5: Individual-Level Tasks Needed to Overcome Marketing Barriers
 Percentage of Respondents Selecting as a Top Need



n = 93,000 marketers.
 Source: CEB analysis.
 Note: Totals may not equal 100% due to rounding.

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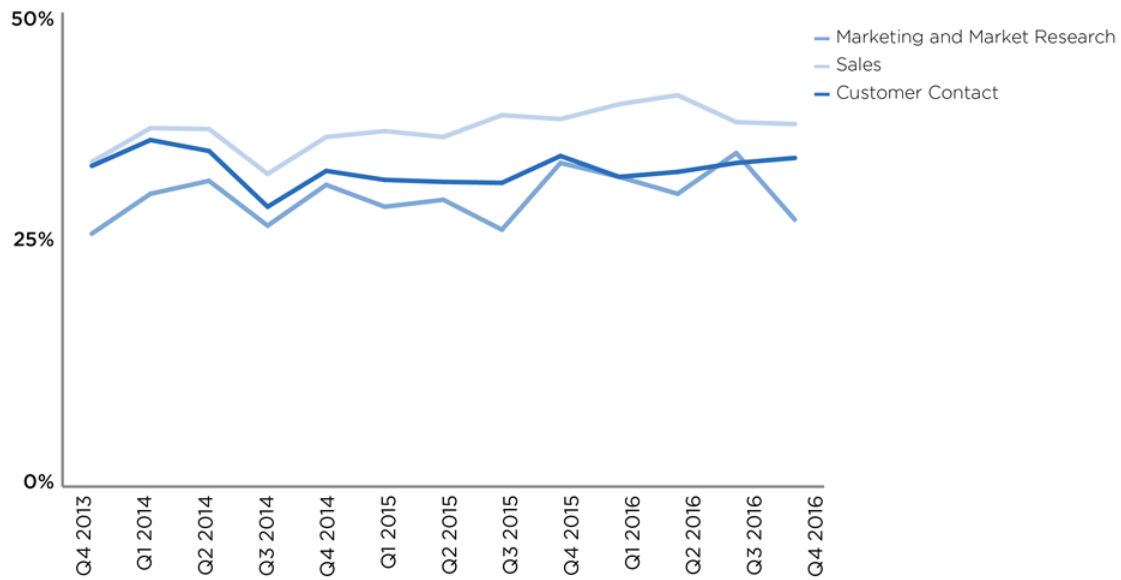
This is not surprising; over the past decade, organizations have rushed to hire externally to fill the hefty functional gaps that have emerged, particularly for digitization, demand generation, and analytics. As a result, teams have become more siloed as organizations “bolt on” and “add on” new roles for the Marketing function.

The structure of the function itself is less of an issue than the repeated failure to develop a common level of marketing proficiency—a common language—that would give all marketers enough knowledge in any core marketing area to collaborate with one another and, most importantly, spot opportunities for peers’ for wider company growth.

This lack of cohesion causes marketers to feel overwhelmed by their responsibilities because they lack clear parameters for “what good looks like.” Marketers hear plenty of buzz words and know “everything needs to be digital,” but leaders are not actually equipping their teams with the skills to do the new job at hand. This lack of clarity is stressful, and stress undermines performance.

Our research on intent to stay in an organization showed that Marketing has the lowest intent to stay than any other function, including Sales (figure 6). It’s also fair to say that marketing likely had to deal with the most amount of change this past decade so it’s less of a coincidence that marketers are looking for a way out of this highly stressful and evolving function.

Figure 6: Percentage of Employees with High Levels of Intent To Stay



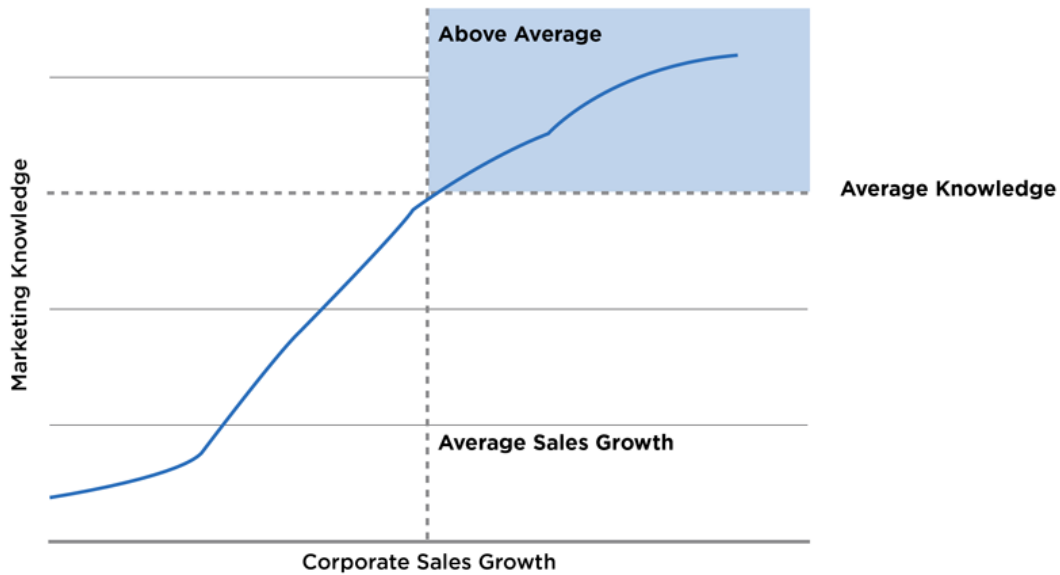
Source: CEB analysis.
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The Right Training Investments

Unfortunately, most organizations have not sufficiently invested in overcoming the barriers we identified. A mere 2% of Marketing budgets go to talent development—a very small portion compared to other spending categories, and even that seems to be ineffectively spent. Over half of CMOs say their business missed major opportunity for growth in the past two years because their teams’ skills are only equal to or weaker than their competitors’ skills. In fact, we are seeing no increase of marketing knowledge as a result of training, which begs the question, what are marketers being trained in?

With so many new systems and tools in place in the average company, leaders can fall into the trap of associating technical and systems training with competency training. In 2015 our research showed just how vital it was to the business for marketing to bridge this competency skill gap. Our study showed the positive correlation between marketers’ core marketing knowledge and corporate sales growth (figure 7).

Figure 7: Impact of Marketing Knowledge on Corporate Sales Growth



n = 7,350.
Source: CEB analysis.

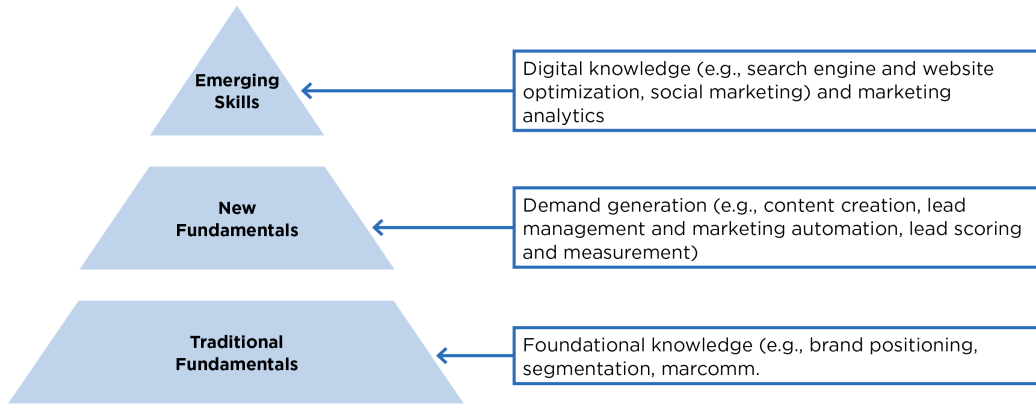
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Interestingly, the skill development we saw in organizations with above-average marketing knowledge was not in any one area of expertise but actually covered the core fundamental competencies of marketing across the entire function. These companies were addressing the language gap and ensuring teams were competent in all key areas to collaborate and capitalize on market opportunities. Companies that do this outpace their competitors in terms of corporate sales growth.

Given that these above-average companies achieve growth at three times the average rate, it's worth noting what training investments such organizations are making.

The following pyramid outlines the evolutionary journey marketing has been on and what skills have become ***fundamental to every marketer***:

Figure 8: What the Best Companies Do™
Invest to Improve Marketing Knowledge and Attitudes

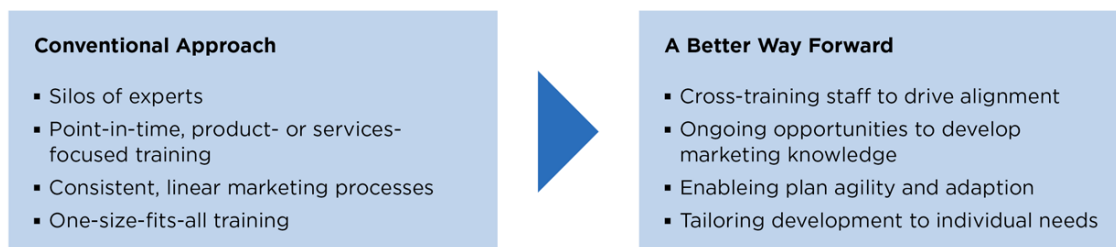


Source: CEB analysis.

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Companies with this strong corporate sales growth weren't just changing *what* they were training their marketers in; they were also changing *how* they were training their marketers. They moved away from classroom-based sessions that offered no opportunity to apply learning on the job, and instead focused on building the right behaviors and principles by providing ample opportunity for on-the-job reinforcement and application (figure 9).

Figure 9: A Better Way to Invest in Marketing Talent



Source: CEB analysis.

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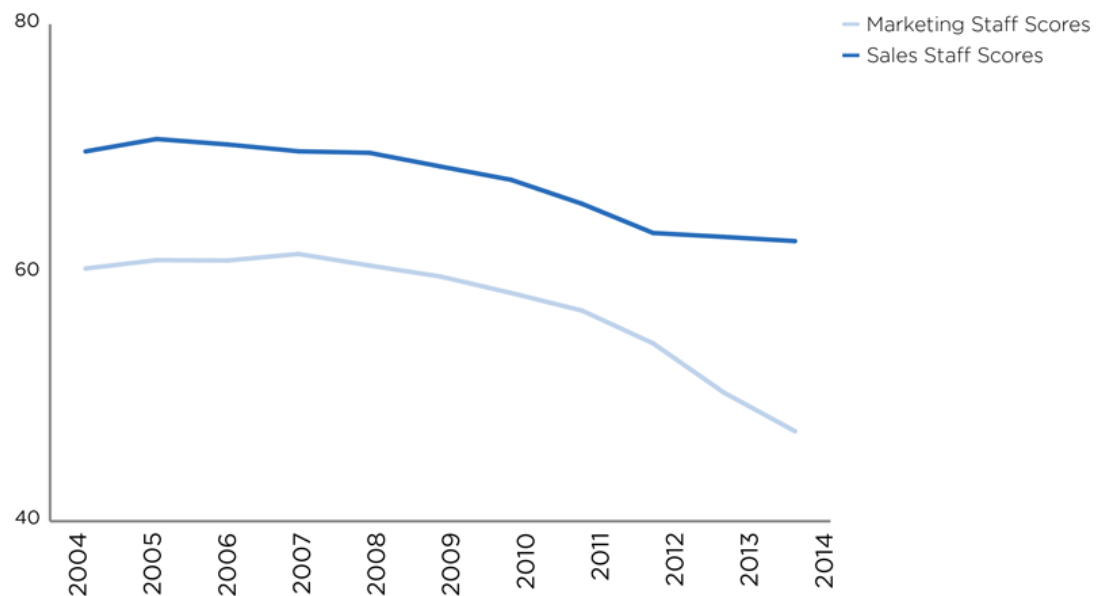
Tenure Is Not the Same as Knowledge

Despite our best efforts, bias will often creep into our workforce assumptions. We often think that if someone has been with the organization for a long time they have a certain amount of knowledge. In many functions, tenure goes hand-in-hand with experience, but Marketing is a special category. Marketing has no barriers to entry—no boards to pass, exams to take, or certification required to practice marketing.

This accessibility leaves the function open (sometimes in a positive sense) for staff to transfer in from throughout the company. Often, these transitioning staff members had some proximity to a product in their previous role, which acts as a pseudo-qualification and seems to verify their readiness to enter the marketing landscape. The result, however, is a team of product-focused marketers but not necessarily customer-focused marketers. This is particularly evident in pharmaceutical/health care, chemical, and industrial manufacturing firms.

Understanding customers is one of the greatest attributes a Marketing function can have. Without that crucial element of the puzzle, we're just throwing spaghetti at the wall. Alarmingly, in the past decade customer focus scores have declined across Marketing and Sales (figure 10).

Figure 10: Customer Focus Scores, 2004–2014
Indexed



Source: CEB analysis.

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10-Year Trends

Marketing organizations should be aware of the trends affecting marketing talent in the past decade.

A lot has changed for Marketing in the past decade:

- New technologies that were introduced early in the decade have become essential components of effective marketing activities today.
- Digital marketing had evolved into a primary channel through paid ads and e-mail marketing.
- Social media reached new heights and proved a viable outlet for direct consumer interaction.

More recently, analytics and behavior monitoring through digital consumer habits have come to the forefront. SEO, AdWords, and other means of tracking how customers interact with marketing organizations have become pivotal in driving strategies forward.

In addition, we've seen two significant shifts in the composition of Marketing talent:

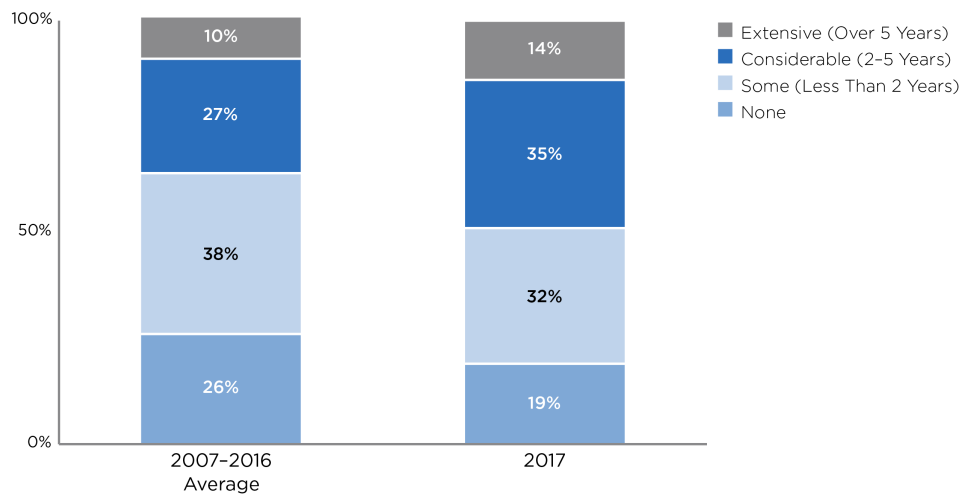
1. The number of marketers with at least some formal marketing education has increased by about 7%.
2. The number of marketers with more extensive educational backgrounds (i.e. advanced degrees) has jumped by 6%.

Each of these talent shifts, compounded by the technological leaps in the field, requires organizations to consider certain key points.

Formal Marketing Education

In the past 10 years, the number of marketers with formal marketing education has increased significantly (figure 11).

Figure 11: Formal Marketing Education
Percentage of Marketers, Year Over Year



n = 93,000 marketers.
Source: CEB analysis.
Note: Totals may not equal 100% due to rounding.

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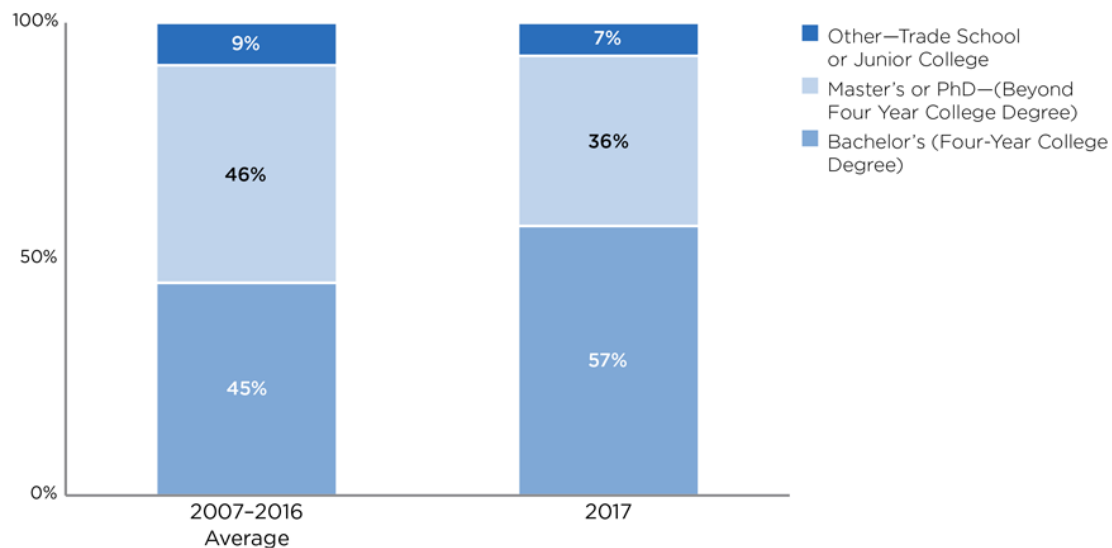
As a result, organizations must consider the following key points:

- **More marketers have formal marketing education.** Entry into the Marketing function is no longer a catchall for those who don't like Sales; rather, Marketing is a function that leads the business and executes on key strategies. This evolution has been ongoing, influenced heavily by the way customers receive the information before coming into contact with a direct channel from the organization.
- **Most marketers still come from different backgrounds:** The percentage of marketers with actual marketing degrees spiked in 2017, but our data shows this group is still by no means the majority. Most marketers (65%) have backgrounds in other business functions (e.g., Finance, Sales) or non-business backgrounds (e.g., liberal arts, engineering).
- **Different backgrounds provide product or customer knowledge.** Staff who come to the Marketing function from other parts of the business may have less formal marketing education and less marketing experience, but they can provide value in their deep knowledge of the products or customers. For example, marketing function in the pharmaceutical industry might have skilled scientists, chemists, or data analysts who have less marketing experience than their colleagues but more understanding of the product.
- **Traditional skills are still crucial.** Having staff with specialist knowledge of the product or the customer is an asset, but Marketing functions should not neglect to these staff members in the traditional fundamentals needed as part of a broader skill set.

Degree Types and Highest Degree Attained

In addition to increased formal education, marketers are attaining higher degrees of education (figure 12).

Figure 12: Highest Degree Attained
Percentage of Marketers, Year Over Year



n = 93,000.
Source: CEB analysis.

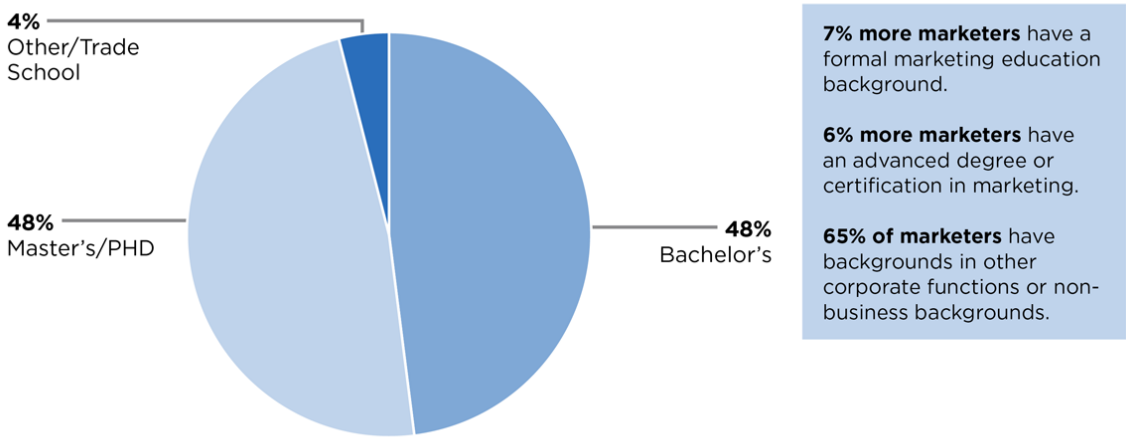
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As a result, organizations must consider the following key points:

- **Marketers have more traditional degrees.** More marketers are getting traditional four-year or advanced degrees in the field as compared to earlier in the decade, and the number of marketers with trade-school or junior college degrees dropped to its lowest point ever in 2017.
- **The mix of degrees presents strategy challenges.** Marketers' degrees comprise a healthy mix of bachelor's degrees and master's degrees/MBAs/PhDs (figure 13), and the percentages of marketers within the broader population holding each type of degree are comparable. The difference in marketing knowledge levels presents a unique challenge for organizational structuring and finding a talent development strategy that can impact groups with varying needs.
- **Mid-level marketers are underperforming compared to those with more tenure and more education.** Marketers who have been in seat for a moderate period of time (three to seven years) are underperforming compared to marketers new to the organization (zero to two years) and senior staff (eight years or more). The

low-tenure population is a mix of recent graduates and marketers with formal experience who join the organization as qualified, educated marketers rather than internal talent coming from other non-Marketing parts of the organization. Marketing organizations must therefore continue to develop the in-seat talent and those who began behind the curve by coming from another part of the business to prevent stagnation.

Figure 13: Marketing Degree Type
Percentage of Marketer's with Formal Education



Source: CEB analysis.
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Conclusion

In essence, marketers are in a race to bridge the development gap as organizations increasingly see them as the growth engine for their business. This is no easy task, given that Marketing has traditionally underinvested in talent development. However, some organizations are taking charge, and their focus on talent development has helped them grow at three times the rate of their peers. For some marketing organizations, the gap between needs and capabilities is widening. But those that consider key changes in both marketing technology and marketing talent over the past decade and upskill their teams accordingly can become marketing leaders.

To learn more about how you can assess your team's capabilities and develop their fundamental marketing knowledge, contact us at emea_marketing@cebglobal.com or [visit our website](#).

Related Resources

Existing Marketing Leadership Council members can also access case studies from L'Oréal and General Mills to learn how they developed the fundamental marketing competencies across their marketing functions.

Building Digital and Personalized Marketing Capabilities (L'Oréal): L'Oréal set up an entire foundational marketing academy focusing on what it considered the newer fundamentals of marketing, such as social media and data analytics.

Closing Marketing's Digital Gap with Consumers (General Mills, p. 20): See how General Mills identifies development areas in its teams by offering a safe environment for trial and error.

About This Research

The data is a reflection of over 90,000 marketers who have been measured since 2000 (with further studies around digital and content capabilities since 2014.)