

How Big Data can help CMOs gain competitive edge



Chief Marketing Officers (CMOs) face the challenge of adapting to a multitude of new marketing channels. Traditional venues like TV, radio, and print media are no longer capturing audiences the way they once did. Consumers increasingly rely on social media networks for advice and referrals about products and services, and handle much of their commerce and banking needs on their tablet or smartphone. To respond to this challenge and increase marketing effectiveness, the role of the CMO has to evolve to include data-driven strategies.

Competitive CMOs are incorporating a lot of what the CIO does—harnessing, interpreting, and responding to customer information, but with a marketing bent. A recent survey of 212 CMOs found that, “More CMOs recognize the need to engage their CIOs to develop the most effective strategy for putting marketing technology into practice. Our survey results indicate that CMOs state the importance of this relationship, rising from 30% in 2011 to 51% in this year’s survey.” (Source: Forrester and Heidrick & Struggles, *Global Evolved CMO Online Survey of 212 CMOs. Survey and report 2013*)

To stay relevant and to successfully address the changing marketing environment, CMOs are partnering with CIOs to harness the power of Big Data.

CMO + CIO + DATA

One way for CMOs and CIOs to work together more effectively is to have a singular goal: developing a unified view of the customer. In the past, the customer was viewed from a siloed perspective, a point of data for the IT department, a sales target for Marketing, and perhaps a product focused view from the line of business. However, with insights generated by predictive analytics, businesses now have the unprecedented advantage of joining these snapshots into a cohesive whole. With that single, holistic view of each customer, businesses can more accurately identify how to segment them for marketing to deliver relevant cross-sell and upsell offers at the right time. They can also better understand how to improve the customer experience in meaningful ways that strengthen relationships.

“Data is helping to bring the customer into the boardroom,” notes Steven Ramirez, CEO of Beyond the Arc, in an article from [1to1 Media](#). Predictive analytics has the power to sift out useful patterns from massive amounts of customer data, which can make a substantial competitive difference for a tech-savvy CMO. In fact, in their 2013 report, [Mind the Marketing Gap](#), *The Economist* noted that 45% of executives now view marketers’ limited competency in data analysis as a major obstacle to implementing more effective strategies.

Big Data fluency is the most necessary skill for successful marketers today

20% jump in importance from 5 years ago, as noted by [The Economist](#) in their report, [Mind the Marketing Gap](#)

Harnessing data for competitive edge

CMOs do not need to become data scientists –but when they effectively partner with their CIO and data analysts, they can uncover a wealth of insights to drive highly targeted marketing that gets results. And while acquiring new business is always important, it’s often less costly to focus on retention and strengthening relationships with existing customers. With advanced analytics, CMOs can gain a much richer picture of their customers, from their purchase and transaction patterns, to their preferences, demographics, behavior across channels, and more.

This deeper knowledge unlocks the power to increase cross-sell and up-sell, but also opens up an opportunity that may be their best competitive advantage. By delivering more relevant, personalized experiences and building customer loyalty, businesses can increase the likelihood of achieving that “holy grail” of marketing -- positive word-of-mouth across their customers’ social networks.