The CMO Survey 2017

Rethink everything: Changing the marketing model

Many marketers are committed to substantially increasing spending on social, mobile, and analytics, but they know their current way of operating may not cut it to capitalize on these investments. Their marketing organizations were built for activities that look very different from those required in today’s fast-paced, digital world. Many marketing leaders know they lack the structure and the skillsets to operate effectively. So they are changing the game. By building key capabilities in house and rethinking what is outsourced, marketers can move to new talent models to match new demands and harness new opportunities.

Marketers are planning huge investments in social, mobile, and analytics.

Expected increases in spending in the next 3–5 years:

- Social media: 90%
- Mobile: 127%
- Marketing analytics: 375%

But CMOs know their organizations lack the skillsets to make the most of these investments.

Top organizational capability gaps identified by marketing leaders:

- Marketing innovation
- Customer focus
- Digital marketing
- Omni-channel execution
- Customer development and management
- Marketing analytics

For each capability listed, more than 15% of survey respondents ranked it as a top three gap out of nine capabilities.

Many companies are therefore rethinking their marketing organizations, making significant in-sourcing/outsourcing decisions, and investing across the board to transform.

Marketers are building capabilities in house to own the customer experience and capitalize on customer data.

Marketers are moving to outsource activities that require specialized skills or are done infrequently.

In-sourcing

Planned increases next year:

- Spend to develop new outsourcing capabilities: 7%
- Spend to transfer existing marketing activities to employees: 3%
- Social media activities conducted in-house: 7%

Outsourcing

Planned increases next year:

- Spend on market research and intelligence: 5%
- Marketing activities outsourced: 4%

For each capability listed, more than 15% of survey respondents ranked it as a top three gap out of nine capabilities.

7% increase in social media activities in-sourced compared to August 2015

Source: The CMO Survey, February 2017 and August 2016

In collaboration with

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