THE DNA OF A NEW BREED OF MARKETER:

THE GROWTH CMO PROMOTES A DATA-DRIVEN CULTURE

“WE CANNOT BECOME WHAT WE NEED TO BE BY REMAINING WHAT WE ARE.”

– Max De Pree
The Growth CMO Promotes a Data-Driven Culture

(DNA Dimension 1 of 4)

Times Have Changed. CMOs Disrupted:

“My destination is no longer a place, rather a new way of seeing.”

- Marcel Proust

Tectonic shifts in marketing—due to technology developments and buyer behavior revolutions—have transformed the CMO landscape. CMOs got disrupted. The rise of a new breed of CMO is afoot: The Growth CMO. This new breed is required to navigate the emerging landscape successfully. For CMOs, yesterday’s skills are just that—outdated—and insufficient for tomorrow’s success.

Growth CMOs make it their primary mission to produce profitable growth. More than ever before, marketing has the opportunity for a leading role in both profitable revenue generation and brand reputation. Revenue growth is dependent on customer engagement, intimacy and loyalty. Because buyer behavior has changed so dramatically (for example, 79% of consumers now spend at least 50% of total shopping time researching products online), these dependencies are fraught with challenges and unknowns.

The result? Entire business models are in flux and CMOs are being asked to navigate the chaos. The best guidepost to steer through this turmoil is data-driven, insight-based decision making. Thus, the ascent of data-driven marketing.

Adopting a data-driven approach is essential. Data can be a rich source of customer insights. It provides an unbiased view for clearer decision-making. Less intuition. More objectivity. Data is an element around which cross-functional collaboration and unification can be forged. Further and most significantly, data is the must-have foundation for the development of predictive marketing practices, a trademark of a modern marketing leader. Growth CMOs embrace this and are developing organization-wide cultural shifts to leverage data as the fundamental input to all business decisions.

The Data for Data-Driven:

Research conducted via partnership between SAP, The CMO Club and Human 1.0 underscored the importance of using data at the root of strategic and tactical business decisions—adopting a data-driven culture. The research was conducted with more than 150 CMO’s, and discovered thirteen dimensions that define the DNA of a new breed of CMO: The Growth CMO. These thirteen dimensions were distilled down to four critical dimensional DNA drivers:

1. Develop New Talent
2. Advance Omnichannel Capabilities
3. Promote A Data-Driven Culture
4. Create Market Centricity

Marketing leaders who embrace these four attributes and a plan of action to get adept at them will be the standout marketers of tomorrow, the Growth CMOs.

Read on to learn more about establishing a foundation for prediction marketing and the specifics of how to promote a data-driven culture...
The DNA of a Growth CMO Defined
The Four Essential Elements

1. Develop New Talent
Attracting, hiring, retaining, developing and leading a diverse and broad range of marketing talent to cover the expansive landscape that is marketing today.

2. Advance Omnichannel Capabilities
Creating a consistent presence, adaptive content and unified end-to-end customer experience across multiple channels and customer touch-points.

3. Promote A Data-Driven Culture
Catalyzing a culture that values and leverages data-driven insights for better decision-making, deeper customer intimacy and improved marketing outcomes.

4. Create Market Centricity
Advocating for the “voice of the market” (customers, prospects, partners…) and rallying the organization around external requirements so that the market is at the heart of the organization.

Thirteen DNA Dimensions

**Outcomes**
- Focus on Customer Engagement
- Leverage Data-Driven Insights
- Practice Agile Marketing

**Capabilities**
- Develop New Talent
- Maximize Social Connectedness
- Incorporate Technology
- Commit to Measurement
- Advance Omnichannel Capabilities

**Culture**
- Trust and Be Trustworthy
- Create Market Centricity
- Promote a Data-Driven Culture
- Always Be Learning
- Establish Risk Intelligence
What Does Data-Driven Look Like Anyway?

Sometimes, the best way to demonstrate a concept is to use a real-world example. In the case of a data-driven culture, Vail Resorts is a great one. Vail Resorts is a mountain resort company providing luxury, destination-based travel. Their self-proclaimed product is “the great outdoors”.

Vail Resorts puts “guests first” and in fact, in the center of everything they do. Their goal is to create the experience of a lifetime for Vail Resorts guests, each and every time. The way that Vail accomplishes this is through generating customer experiences that are inextricably tied to data-driven insights.

Through EpicMix, a ground-breaking online and mobile application, mountain guests capture and share their mountain experiences online with friends, family and the world. This includes on-mountain photos (Vail photographers are at the top of chairlifts to take pictures and send them to guests) and digital pins for personal mountain accomplishments. Simultaneously, guest data—including vertical feet, terrain covered and resort activities—is captured. Based on this data, marketing takes every campaign and communication and creates multiple versions so that each individual receives personally relevant content and offers. Vail Resorts is practicing true 1:1 marketing based on actual guest behavior and preferences.

EpicMix also enables Vail to capture data from single day lift tickets and, by using RFID passes, convert many of those unidentified visitors into EpicMix members. Customized offers and communications can be sent to these previously anonymous guests, improving Vail’s customer engagement with a broader guest audience. As more and more guest behavioral data is captured, data is further leveraged to make better and more strategic business decisions across the Vail Resorts organization.

Journey to a Data-Driven Culture

Adopting a data-driven approach is a journey. Vail Resorts started EpicMix in 2010 and each year has expanded the capture, capabilities and usage of the data. The most challenging part of the data-driven journey are the first few steps. There is a progression for the data gathering, the analytics development that turns the data into insights, the application to marketing campaigns and communications and ultimately, the democratization of data-driven practices across the organization.

How To Build a Data Driven Culture

Building cultural change takes effort and time. Based on research conducted via partnership between SAP, The CMO Club and Human 1.0, they determined that there are consistent themes around four “how-to” approaches that help Growth CMOs promote a data-driven culture.

Leadership Buy-In and Backing

Culture is set at the top of an organization. First, by the CEO, second by the C-suite or executive team. Until this “first domino” is set, cultural change is impossible. Business leaders in an organization must absolutely believe that data is critical to creating superior marketing and business outcomes. Data-driven insights are a powerful strategic tool and can be translated into significant competitive advantage, known as predictive marketing. Not only that, those who ignore the markets’ data-driven mandate, will be left in the dust. Obtain leadership buy-in by demonstrating that data-driven marketing is more than a competitive advantage, it is imperative. When leadership embraces data-driven decision-making and agrees to democratize the approach through people, processes and technologies across the organization, then the journey toward a data-driven culture has begun.

Vail Resorts Data-Driven Culture in a snapshot

The EpicMix Offering

- Puts guests first
- Captures mountain experiences real-time
- Generates opportunities for sharing via photos and competitions

Data Collected Enables

- Customized offers
- Personal engagement
- Predictive modeling opportunities

Vail connects with their guests as individuals, creating an Epic experience.
Data Enables Better Art

Data produces a single version of the truth. It creates clarity. However, data is the foundation for crafting better art. When used together with intuition and judgment, data and art make a powerful duo. For example, data can be used to identify target customers, relevant messaging and channel preference. The creation of the relevant messaging in an adaptive, omnichannel approach is the art that bridges the connection from the cold, hard facts to the hearts and minds of those target customers.

Resourcing The Journey

Running a marathon requires training, planning and perseverance. The same is true for the data-driven journey. New capabilities must be mastered, tools must be assessed and implemented and analytical models must be built. Application of the insights from the analytic models needs to be learned. Finding the right technology partner(s) is an important enabler and critical priority. All of this capability and talent acquisition requires investment. Cultural shifts demand education, time, commitment and change. A journey is for those who are committed to seeing it all the way through; this is not a flash in the pan. Before embarking on the data-driven journey, get the resource commitments and scorched-earth agreement on the goals and timeframes.

Metrics That Matter

Marketing is guilty of publishing intermediary metrics as a banner of success. However, the metrics that matter and show that data-driven approaches are working, are outcome-oriented metrics. Further, metrics need to be expressed in the language of the business: ROI, which captures revenue, expense and profit. These metrics matter to the business. Marketing may utilize other metrics to augment and tell a story and to decide where to invest and where to pull back within the marketing portfolio of investments. For example, internal metrics might include budget efficiency and customer/market responsiveness. External measures might include customer experience ratings such as net promoter score.

Wrap-up

Adopting a data-driven approach and promoting it as a core element of business culture is essential to the establishment of profitable growth. This is the job of the CMO. It requires new skills, new competencies and new ways of thinking. In other words, a new DNA structure that includes data-driven competencies will help morph CMOs into true Growth CMOs. It’s time to start the journey.

A Data-Driven Culture in Action

Data Drives insights, insights drive customer intimacy, customer intimacy fuels financial success

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<th>Business Rules</th>
<th>Twinning</th>
<th>Prescriptive</th>
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<td>Use adaptive content. Proactive, predictive marketing</td>
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Customer Data Used

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Percent of Customers Profiled

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<th>Few campaigns</th>
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<th>Across marketing + beyond</th>
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| Extent of Application for Data-Driven Insights