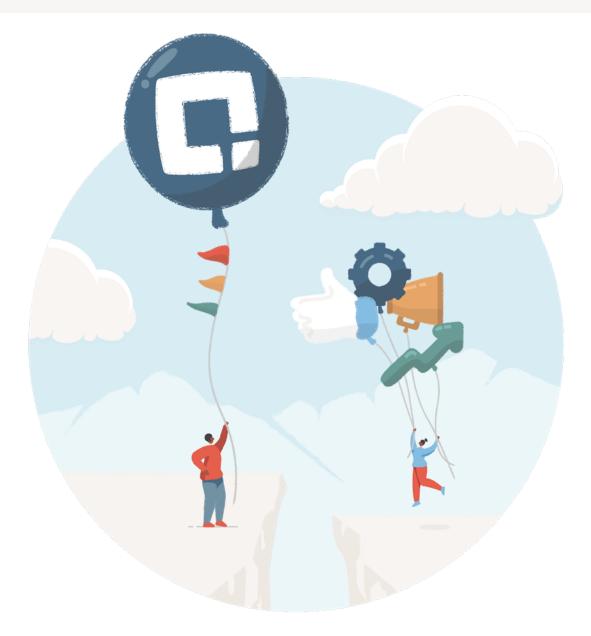
How to Solve the Digital Skills Gap

The Savvy CMO Survey 2023





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CMO INSIGHTS

The Savvy CMO Survey

This report is the final instalment in our four-part Savvy Chief Marketing Officer series, which explores how Chief Marketing Officers (CMOs) can implement an efficient and effective customer experience.

Report 1. Data Privacy - Dilemmas & Remedies

Report 2. The Sprint for Marketing Innovation

Report 3. Building the Customer Experience of the Future

Report 4. The Digital Skills Gap

To understand how organisations are responding to new challenges, we polled 200 CMOs in the U.S. & UK. These individuals work at organisations with a minimum global revenue of \$100 million (£83 million), and an annual marketing budget of at least \$10 million (£8.3 million).

To add a qualitative lens to the findings, we interviewed several senior brand-side marketers to uncover how organisations are attempting to drive marketing innovation with agility and speed. We'd like to thank our contributors:



Miles Freeman

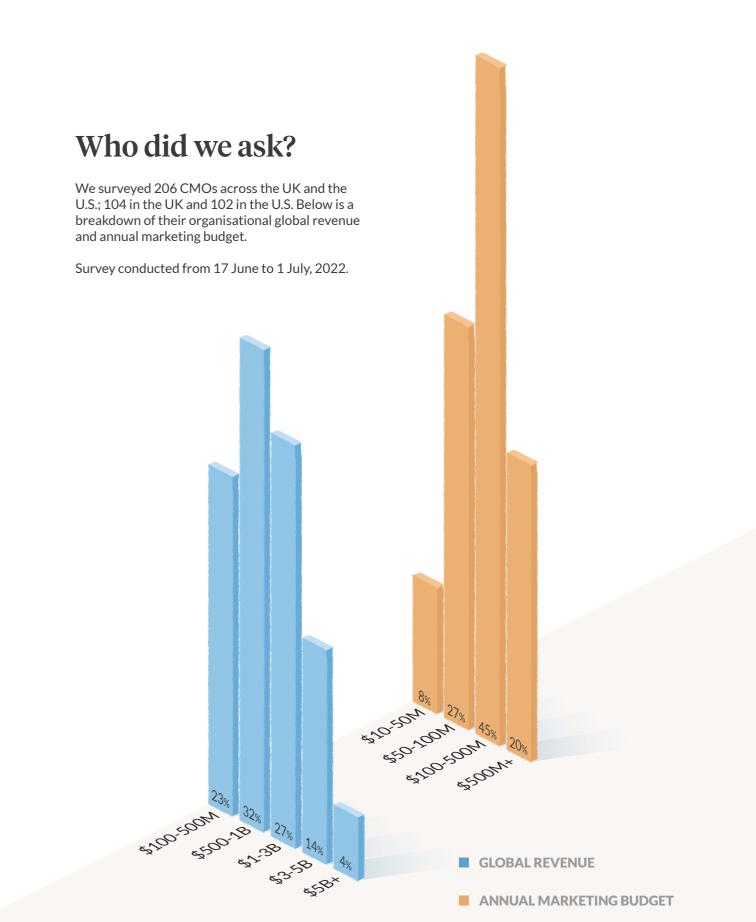
at Connected Kerb

Head of Brand & Communications



Aisha Jakhura

Head of Brand Marketing at George, Asda's clothing brand



Executive Summary

hen queried on budget allocation over the next 12 months, CMOs ranked "hiring the right talent to take advantage of modern MarTech" as the most pressing item.

Implementing an effective MarTech solution is more than just a technology issue, as nearly half of CMOs (46%) say "talent is more essential than technology to successful MarTech deployment."

Despite the need to ensure teams have the right digital skills to drive transformations and enable effective MarTech deployment, one in three CMOs admit their marketing team "does not have the skills and experience to get the best out of [their] technology." **66** ...one in three CMOs admit their marketing team does not have the skills and experience to get the best out of [their] technology.

This report presents a framework for CMOs to solve the digital skills gap and ensure their teams are equipped with the knowledge that powers MarTech solutions.

> **46% of CMOs** say "talent is more essential than technology to successful MarTech deployment."



This report presents a framework for CMOs to solve the digital skills gap and ensure their teams are equipped...

66 CMOs say 'hiring the right talent to take advantage of modern MarTech' will be the most important use of marketing budgets.



Introduction

odern CMOs are increasingly responsible for ensuring technology operates effectively across the marketing department.

MarTech stacks are used to collect and analyse customer data, deploy data-driven marketing strategies, and power automation across the customer experience.

Given these expectations, it's no surprise digital skills are now regarded as essential for business growth. In 2023, for example, CMOs say "hiring the right talent to take advantage of modern MarTech" will be the most important use of marketing budgets.

As Miles Freeman, Head of Brand and Communications at Connected Kerb, comments, "Modern marketing departments need to become expert mixologists to deliver effective campaigns. A strong understanding of flavour paired with a considered palette is needed to deliver a great result."

However, while CMOs acknowledge the pressing need to fill the digital skills gap, many indicate there is a lack of digital talent capable of

powering MarTech deployments within existing teams.

66 Modern marketing departments need to become expert mixologists to deliver effective **99** campaigns...

In fact, one in three CMOs admit their marketing team "does not have the skills and experience to get the best out of our technology." This comes at a time when nearly half of CMOs (46%) say "talent is more essential than technology to successful MarTech deployment."

There are several activities essential to a successful customer journey orchestration. These include: data management, data architecture, analytics, and creative asset management. And yet, without the right teams in place to ensure these areas of MarTech are delivered effectively, organisations will suffer and campaigns will lack effectiveness.

In this report, we'll explore a peoplepowered, skills-based framework for effective MarTech deployment that will drive organisational change.



PART 1 Exposing the digital skills gap



PART 2

A framework for thinking about effective MarTech deployment



PART 3

Finding the right help to plug these gaps



Exposing the digital skills gaps

t present, MarTech tools and solutions are developing faster than the pace of employee skills development, particularly when it comes to hands-on experience.

Many legacy organisations are still tackling data quality issues and are trying to connect these data points together. This makes it even harder for CMOs to allocate budget toward future-focused resources that have the skills and expertise

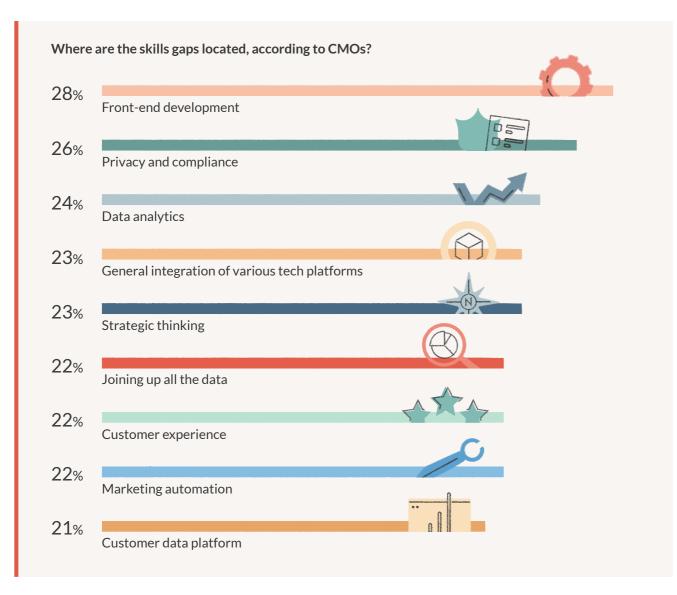
necessary to deliver effective MarTech transformation.

As Connected Kerb's Freeman notes, "2023 will be a challenging year for all marketing teams as businesses work to keep flexibility in how and when marketing pounds are spent."

From our research, it's clear many CMOs are grappling with this problem: 76% of CMOs say their marketing team "does not have the skills necessary" or only "somewhat has the experience" to get the best out of their technology.

In fact, only one in five CMOs say their marketing team "definitely" has the skills and experience to get the best out of their technology.

As Aisha Jakhura, Head of Brand Marketing at George, says, "Whether you are coming in at entry-level or in a senior leadership position, the old rules don't apply.



We now have so many ways to get closer to and understand our customers, we really need to listen more and be open to learning."

...performing an assessment of current strengths and weaknesses is crucial.

If an organisation invests in new tools but doesn't have the people to leverage that technology effectively, they won't get the best results. This is why identifying these gaps and performing an assessment of current strengths and weaknesses (as discussed in part one) is crucial.

We wanted to understand which areas CMOs are struggling to find or upskill their talent in, so we asked them, "Which of the following areas do you have a talent gap in?", and to choose all answers that apply.

Notably, CMOs ranked every single option as an area of near-equal concern. This demonstrates that

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organisations are facing skills issues across the MarTech spectrum.

Data is a hot issue, with 46% of CMOs citing a talent gap in data analytics and joining up all the data. This should be a top priority, since data is the currency of an organisation's efforts to personalise and automate the customer experience, and also assess how marketing campaigns are performing relative to key progress indicators and objectives.

Privacy and compliance is also a key area, given the rise of new privacy legislation that will make it more difficult for marketers to reach and target individual users. Google's plan to phase out third-party cookies by the end of 2023 and Apple's move to require users to opt in to share unique identifiers makes this even more challenging for marketing leaders. We covered this topic in-depth in report one of this series.



How should CMOs tackle this right now?

o tackle these skills gaps, organisations need to break down silos and learn how to leverage the skill sets that already exist within the business.

By adopting this approach, CMOs can better identify talent that sits within disparate areas of the business. For example, in legacy organisations, many expert data leads sit within the IT department. However, there's every opportunity for that individual to collaborate with a MarTech department because they have the exact skill set needed to blend the "marketing" and "technology" aspects together.

66 To tackle these skill gaps, organisations need to break down silos and learn how to leverage the skill sets that already exist... **99**

As George's Jakhura notes, "I think teams are being forced to evolve and every role needs to have an element of R&D baked into it, regardless of what area you are working on. It must be something that everyone is thinking about to cope with the level of change and technological advancement in marketing."

This requires a fundamental shift in how organisations are organised. It's why, for example, we've started to see CMOs thinking like Chief Technology Officers and Chief Data Officers. We discussed five myths of organisational change in <u>this report</u>, with advice for how business leaders can overcome them.

MarTech is a blend of these different disciplines, and therefore CMOs need to use an agile approach when sourcing talent across the existing organisational structure.

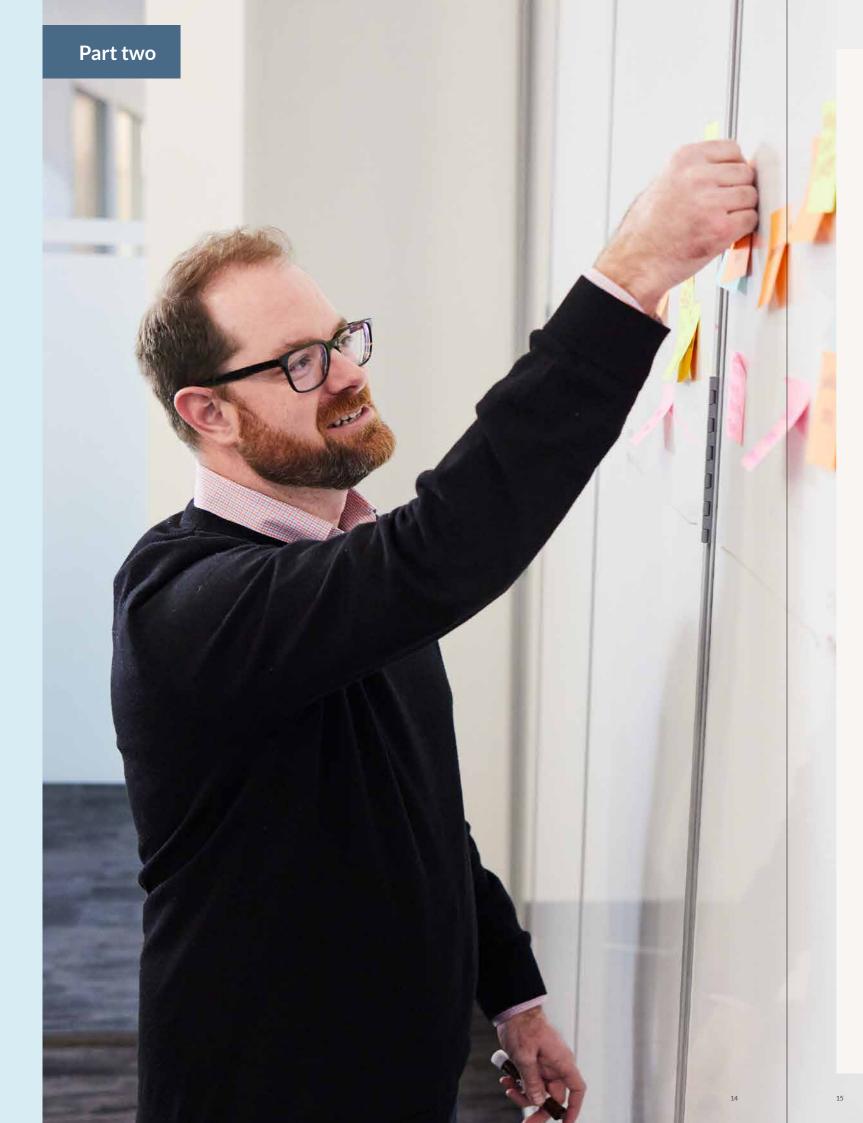


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66 I think teams are being forced to evolve and every role needs to have an element of R&D baked into it, regardless of what area you are working on.

Aisha Jakhura HEAD OF BRAND MARKETING AT GEORGE



A framework for thinking about effective MarTech deployment

oday's marketing landscape is becoming increasingly reliant on technology.

However, MarTech is still an emerging industry, and there are several disciplines that must come together in order to power effective marketing transformation. A typical organisation will have disparate groups of employees that sit in various departments, but a core MarTech team will include a combination of the following skill sets: data teams, product teams, and creative teams.

This presents a cultural challenge, is to align strategic brains who because embracing MarTech requires the convergence of previously disparate silos into one well-oiled machine. The first step in any successful MarTech deployment is to ensure the right team is set up and delivering the same objective.

George's Jakhura comments, "It's never been more important to have specific marketing goals so that everyone is aligned and standing behind a 'north star' or organising thought. The key

Tackle talent head-on

Focusing on talent management and development will enable a business to identify the gaps and opportunities within existing teams. Why? Because even with best-in-class MarTech tools that provide optimised data, the interpretation, analysis, and execution of these insights are only as good as the teams managing it.

CMOs can then determine how the business stacks up against these gaps and how to use existing resources in the most efficient way possible. Gaps don't suggest a need to make redundancies; on the contrary, it shines a light on what training is needed to overcome the hurdles in an organisation's strategic vision.

Here, focusing on digital areas rather than specific skill sets can be a wise move. The question is less about "what tool should people manage?" and more about "what areas of MarTech should our talent have a firm understanding of?"

As Connected Kerb's Freeman concludes, "The hardest candidate to find is someone that has a strong (and unbiased) macro understanding of the marketing mix. Internal teams can leverage specialist agencies to deliver an integrated campaign (creative, PR, social, performance), but someone that knows how to pull the strings at the right time can be hard to find. The perfect candidate must be a master puppeteer of the full marketing mix."

can clearly outline and humanise goals, so that everyone-from the assistant in creative to the social media manager—are clear on their shared goals and objectives."

Often, organisations make the mistake of investing in tech solutions before ensuring teams are set up in an agile way with the right resources and skills to actually deliver on that solution. We covered the topic at length in the second report in this series.





Credera's point of view

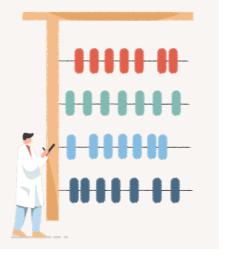
he fundamental building blocks of MarTech consist of data management, data architecture, analytics, and creative asset management. Essentially, these are all the areas that enable personalisation and the optimisation of a customer's journey orchestration.

CMOs can use a "T framework" to look at MarTech skill set development across an organisation. This framework seeks to understand a team member's breadth of knowledge (across the T) and depth of knowledge (below the T). For example, a user experience (UX) designer should have a breadth of knowledge across MarTech (e.g., understanding the wider role of data) but a deep expertise in UX design.

66 CMOs can use a 'T framework' to look at MarTech skill set development across an organisation.

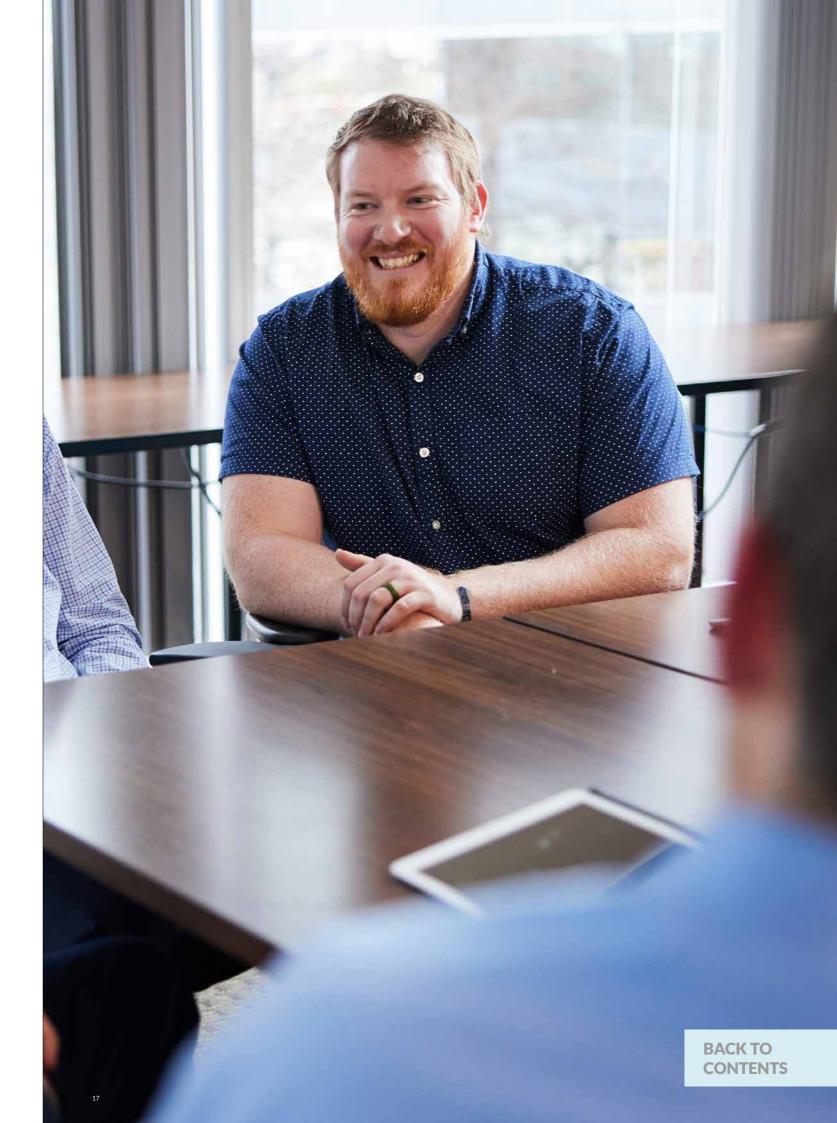
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Breadth of knowledge encompasses a strategic understanding of who an organisation is speaking to, the details of its customer base, how it engages from a commercial perspective, what it's selling, and what its products and services are. This covers MarTech operations across data, customer experience, content, marketing, and SEO. These are the broader MarTech areas that every employee should fundamentally understand.



Depth of knowledge means a specific understanding of data, for example, a nuanced interpretation of customer data and its effect on sales, or how data can be optimised most effectively. This could also include a specific understanding of content management and how to best work with UX to structure it.

Ensuring an organisation has the correct breadth of knowledge and deep expertise in each pillar (data, customer experience, content, etc.) is the most effective way to identify gaps, embed solutions, and truly deliver effective MarTech deployment.



Finding the right help to plug these gaps

Hiring the right external talent is time-consuming and expensive. At the same time, making wholesale organisational shifts in the way teams function and operate can be equally as challenging. Finding the right external help to plug these gaps can be a wise and efficient move.

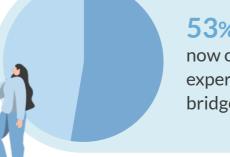
When asked about the willingness to bring in external support, more than half of CMOs (53%) said they are now considering hiring an expert consultancy firm to bridge their digital talent gaps.

An external consultant can help CMOs conduct a capability gap analysis in terms of what solutions need to be resourced and where this is missing from existing teams.

But CMOs need to go one step further and look at this from a change management perspective: What needs to happen for the organisation to be able to fully train and resource all of these MarTech teams correctly? This change can be approached from many different angles, such as:

- Identifying technical capabilities.
- Highlighting skills gaps.
- Analysing overarching strategy.
- Determining how to deliver against common objectives.
- Implementing a change management programme that covers processes, talent structure, recruitment, and training.

The right vendor should be able to quickly ramp-up MarTech deployment and save the business time, resources, and money. When we think about the "T analogy," external consultants can offer organisations a breadth of knowledge and depth of expertise that is often hard to find within existing teams.



53% of CMOs said they are now considering hiring an expert consultancy firm to bridge their digital talent gaps.





Conclusion

t Credera, we don't believe a consultant should replace internal talent development. On the contrary, a consultant's role should be to upskill existing talent and help facilitate and grow in-house teams to be able to deliver short- and long-term solutions.

For example, many businesses have invested in MarTech solutions and software to make the business more efficient and successful. However, without the right understanding, teams won't know how to use this technology effectively.

Implementing a CRM that has the potential to join up marketing and sales data-but is only used for scheduling social media posts—is a great example of a missed opportunity a consultant could identify and solve.

A competent partner should collaborate with CMOs and MarTech teams to ensure the right tools are being used. Also, a partner shouldn't have financial incentives to push certain tools; being vendor neutral is preferable, as this will ensure tools are chosen for the right reasons.

OK, but how do we really get there?

Finding, identifying, developing, and embedding the right talent with the right digital skills can all be daunting tasks. However, at Credera, we believe these steps are essential for organisations that want to truly innovate and ensure MarTech powers effective transformation across the business.

We have hands-on experience in helping CMOs and Chief Technology Officers across multiple sectors develop MarTech transformation strategies to drive agility, speed-tomarket, and efficacy of output. In fact, some of the world's most recognisable brands trust us to deliver for them.

To find out more about our approach, get in touch. We'll match you with the most appropriate consultant for your needs: findoutmore@credera.com

Learn more about modern marketing transformation at Credera here.





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