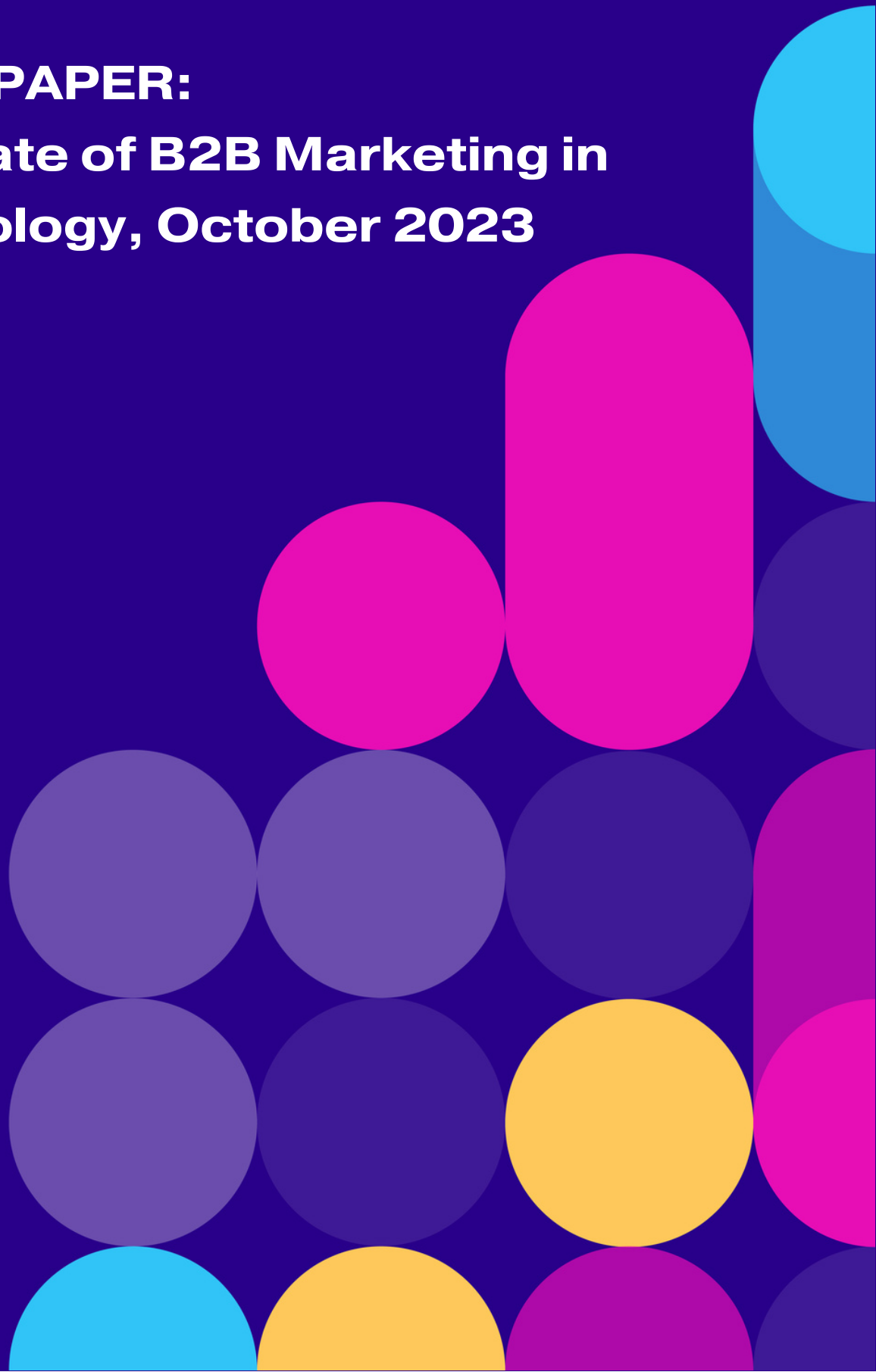




WHITEPAPER:
The State of B2B Marketing in
Technology, October 2023



The Studio: Marketing Leaders Whitepaper, October 2023

HotTopics brought together B2B CMOs and marketing leaders in the technology sector to Abbey Road Studios in London for The Studio. Together, they enjoyed an invite-only afternoon of panel debates, peer-to-peer networking and exclusive insights on the state of the industry and the fate of marketing.

HotTopics has a thriving, global community of B2B marketing leaders. The Studio, a bi-annual event for the C-suite, addressed the state of the industry and the fate of marketing across five panel discussions in Abbey Road's iconic Studio 1 space, to an audience of in-person and virtual audiences.

Across these discussions many themes emerged as core to the future of the role and the marketing function. Discover insights from each of the panel discussions below; and to hear the leaders' lessons yourself, watch the panels exclusively on HotTopics.ht.

Panel discussions:

1. Securing your first NED role

with Suzi Williams, NED, JDSPORTS and Chris Clark, NED, Aviva, and The Royal Marsden Trust

2. AI and Tomorrow's CMO

with Sakina Ramzanali, CMO at Eye Security, David Keene, CMO at Wipro, and Ashish Babu, CMO UK, Europe at TCS

3. Work Smarter with your CEO and Board

With Holly Addison, Partner at Leathwaites, and Matt Hooper, CMO at Quantexa

4. Winning Business and Customer Engagement in a Noisy Industry

with Matt Preschern, Group CMO at NTT Data

5. Prioritisation and 2024

with Mark Baker, CMO at Infront, Preeti Saini, SVP, Global Marketing at IFS, and Utkarsh Srivastav, Senior Director, Brand, Social and Digital at L&TTS

1. Securing your first NED role

Non executive director: unvarnished truths

The perception of being a NED is very different from the reality. Many leaders pursuing such a position rarely see or hear the unvarnished truth: one's time is submitted totally, regardless of what the job description states. If there is a crisis, for example, a NED is expected to be available at all times of the day, at all times of the year.

Time management is not the only misconception. NEDs are also directly responsible for the decisions of the business, and the legal responsibility is a sobering transition for an executive.

Suzie Williams is a six-time NED across FTSE 100 and 250 businesses, and start-ups—including HotTopics—and is the former CMO of BT. Her first non executive director role was at The AA. The first moments of her tenure were flagged by serious market conditions for the organisation, showing her in no uncertain terms how personally accountable and legally responsible one can be.

In her own words, “It can be scary.”

But it is also important to consider why the journey to NED is one to take. What is the purpose?

Chris Clark is Aviva's NED, and the former CMO of HSBC. His advice if starting from the outset is to understand what you are looking for and hold them close. Only then will you be able to rationalise the responsibilities of the role—which can be a steep learning curve for CMOs.

How to be a non executive director

Where should CMOs begin when looking for a NED position?

First, note your superpower(s).

What are your particular strengths and skill-sets that you want to highlight? Typically, for marketing leaders, customer-orientation fits. It's a natural skill for marketers and a sought-after quality in Boards right now, making it a rarefied attribute. Many organisations are pivoting to be even more customer-centric than before; Boards need to ask the right questions to ensure pivots are sustainable, and key to that are welcoming new marketers.

That said, not all companies are receptive to a marketers' history and career, and can be brutal when giving feedback. The role of NEDs and its focus on finance can also be a learning curve. The typical ratio between time spent discussing finance versus marketing (or customers) could be as high as 10 days to one.

Second, be patient.

NED roles are in-demand, and vary from sector to sector. Choose one that offers good and wide experience, interaction with different stakeholders and components of the business, and with relatively 'low stakes', especially if one's first NED role.

First roles do not have to be full-time. Advisory, ad hoc work can build relationships and trust (and experience), before moving on to a full time, paid role there or elsewhere. Pragmatism twinned with patience will go a long way.

The non executive director position should not be the only end goal for a CMO—but if it is, and done well, it can be incredibly rewarding. Further thoughts: Ask plenty of questions, reach out and make use of your network, and do not jump at the first opportunity that presents itself.

2. AI and Tomorrow's CMO

Not new, but net-new technology

AI is not a new technology, but it is an umbrella term for a vast swathe of computer programming solutions, products and services. Society has been integrating with certain types of AI—machine learning, natural language processing, neural networks—in our phones, online and getting around. Marketers, too, have been utilising AI for years. Data analysis and insight-drivers, marketing automation, online customer journey mapping; all have been co-piloted by an artificial yet useful technology that has always been working behind the scenes.

With generative AI, it has come to the centre stage. Marketers should be both quick with their strategic understanding of its capabilities, but cautious to not treat it as a brand new innovation. The truth is a little more complex.

Recognising how your teams individually interact with generative AI, such as ChatGPT, and segmenting them, is a good way of mapping and building strategic teams.

The UK, Europe CMO of Tata Communications Services did this and found three types of people: exploiters, boomers, and doomers.

Exploiters love to experiment with AI and already know most of the tools in the market. Boomers recognise the potential of AI. Doomers? They do not. But all three are critical in building a pragmatic team that can approach AI, test it, use it, critique it, train it, into something that works for your business.

In this instance, TCS tried something simple. It wanted a creative way to make reading GDPR guidelines for new starters more fun. In a short amount of time, the team considered a rendering of the Mona Lisa to read out the guidelines in a manner explaining the importance of customer protection.

AI, particularly the generative sort, is being used to extensively generate content.

CMOs can view this as an accelerator rather than a creator. Creating content is one way a lot of work can be done in a short amount of time; the same can be said for mapping customer journeys or complex buyer groups, or upping the cost of key words.

Tomorrow's deliberation

Tomorrow's CMO, however, will need to weigh the bounty of this intelligence with human creativity. AI is a tool, not a differentiator, and it is clear that if everyone uses the technology in the same way, the 'sea of sameness' that the function has heard before will continue. The upshot? Put the customer at the focus of your aims, as always.

3. Work Smarter with your CEO and Board

Building a better relationship with a CEO takes time

What a CEO wants and needs are not mutually inclusive.

It is lonely at the top for CEOs—and that brings counterintuitive feelings. CEOs want insights and an external perspective, support and guidance in terms of decisions. But they likely want them on their own terms, however; they do not want to be challenged.

They need to be made to see the limiting factors in their decisions, their blind spots, in a way that is presented mutually, regardless of whether it has been asked for or not.

If CMOs can deftly balance sharing insights and action points as guidance rather than directive, over time the CEO will learn to trust you—and the marketing function. This is especially true for CEOs and Boards looking to become more customer-centric.

CMOs: the riskiest executive on the team

Unfortunately, the feeling of the function right now is still that CMOs remain the riskiest position in the C-suite.

Consistent research reports high levels of dissatisfaction between CEOs and CMOs—why? It's because of an industry-wide misalignment of responsibility, execution and performance.

The interview process is an untapped source of dynamics or stress testing. Lay out your strategy here, test the CEOs appetite for marketing innovation, evaluate Board vision for customer visibility and where the marketing department fits within that.

Building a better relationship with a CEO and Board takes time. For those in stable positions, turning around a poor working relationship is more difficult, but not impossible. One bright spot: CMOs can be the glue of the organisation, by bringing the customer to each department—HR, finance, IT and strategy—and tying that together into brand and reputation, key concepts for businesses in 2024.

Looking ahead

A recent PWC report¹ found that 40 percent of CEOs think their business models will become obsolete in 10 years because of generative AI. The need for good partners and strategic thinking has never been more important for the CEO, and CMOs should take note. It starts with CMOs having a seat at the board table, which should be demanded from the outset.

¹ <https://www.pwc.com/us/en/tech-effect/ai-analytics/ai-business-survey.html>

4. Winning Business and Customer Engagement in a Noisy Industry

Not noisy, noisier

For some, the industry has always been noisy. This is true for NTT Data's Global CMO Matt Preschern. The difference today is that it really is getting noisier.

Winning business and customer engagement comes down to the fundamentals of marketing.

The first fundamental is to remember marketers interact with people. People with friends and family, a history, likes and dislikes; humanity is keenly forgotten in an industry constantly producing technology solutions. To win customer engagement, interact with the customer, not the channel or platform or technology.

The second, being strategic to the business, has two upshots. First, it focuses marketing on asking the right questions of itself and for its customers. Second, it better aligns marketing to the CEO—deserving of its own roundtable at The Studio.

In a noisier industry, it is perhaps both bold and wise to quieten. Strategic decisions view technology as an enabler, and constantly remind themselves of this. A good example of what not to do lies within the busy mar-tech stack: many adopted solutions are not properly integrated with key systems, like CRM, which reduces any solution to an expensive logo. It also adds to the noise: marketing races to justify each expensive logo with content, communications, material or a combination of all three. Another panel discussion mentioned the 'sea of sameness', which applies here.

Societal shift

The art and science of marketing has also evolved post-Covid.

Prospective customers, especially within B2B, are far more digitally advanced. They research more. They look up brands on their websites, on social media—they even look up CEOs and thought leaders on LinkedIn for their messages. In many instances, they know more than the sales people of those vendors. That is an important shift because the responsibility of that journey—the content, thought leadership, brand value—becomes pivotal in winning that prospect.

That journey needs to be differentiated. A marketer's job is to convince sales and beyond that, and that the CMO is the leader to hold its responsibility.

5. Prioritisation and 2024

Prioritisation for B2B marketers

During times of prosperity, marketing's appetite for brand awareness should be satiated alongside a need to maintain proximity with customers. All too often, brands evolve and grow too quickly for their traditional bases to catch up, creating unwanted segmentation that leaves a bad taste in the market's mouth.

Stabilising the brand in new markets alongside M&A-driven growth is a key priority for businesses today, as are the fundamentals of marketing, which includes innovation and customer-alignment.

Customers are going through as much change as businesses, often more. Marketers need to ask themselves where customers are and if they are still relevant to their needs; if marketing can no longer help customers, their own internal priorities should be automatically de-prioritised.

Unpicking prioritisation's deeper priorities

If growth is one of 2024's priorities, what should marketers prioritise to secure it? There are two areas of focus: demand generation and brand awareness.

For demand generation, marketers are looking to enter into key new markets, such as the US, and dominate, whilst also retaining customers and influence in the relationship through organic means. A rich customer portfolio may help, offering much opportunity to strengthen the brand in and around these new regions. For brand awareness, stickiness is the concept that is keeping marketers up at night. With such a noisy industry at the moment, finding the channels to find the right prospects isn't enough now, it's also about being memorable.

The art of not prioritising

Perhaps one of the most important skills for CMOs is to decide upon what not to prioritise.

In an era where everything looks like a priority, true leadership is about what to say no to, and how to say no to it.

It comes back to what the industry calls the art of prioritisation—one that can be taught, trained and retained. This also requires constant communication, sales-marketing alignment and even CEO-Board alignment. One thing is clear, however. Of all the things to prioritise in 2024, the art of prioritisation would not be a bad place to start.

Watch the roundtable debates in full by visiting the hottopics.ht website.

HotTopics' marketing leaders community will next meet at Abbey Road Studios on May 22, 2024. To apply to join them, register your interest on the hottopics.ht website and discover more about this exclusive event for the marketing C-suite.