Competition, coexistence or symbiosis?
The DNA of C-suite sales and marketing leaders

The CCO perspective
The digital revolution is bringing fresh faces to the C-suite: the chief commercial officer (CCO) is one such new kid on the boardroom block. This still-evolving position generally has oversight of sales and marketing, but can incorporate other functions, such as innovation, customer service and R&D. Its emergence reflects the growing power of information-rich customers and the proliferation of channels. As customers demand a smooth multichannel journey, companies are increasingly looking to one C-suite executive to integrate and direct their entire value chain.

An EY survey of more than 800 sales and marketing leaders and C-suite executives, along with over 20 in-depth interviews, considered the rise of the CCO. The research, explored further in Competition, coexistence or symbiosis? The DNA of C-suite sales and marketing leaders, delivers valuable insights into the skills, demands and challenges of the role and what it could mean for business.
Meet the CCO

The average CCO is a 46-year-old man who has been in the position for only a short period, given the role is relatively new. The commercial chief is more academically qualified than the average CSO or CMO, with more than half having a master’s degree. They hold senior roles, with 80% on the executive board. The CCO is interested in the big picture, getting their greatest satisfaction from strategic management and being involved in the direction of the company. They keep up with external trends: 71% believe they add value by “exploiting in-depth knowledge of the market and competition.” The commercial chief is ambitious: one in three thinks they will be CEO within five years.

“If you only understand marketing and have no idea of the capability of the sales force, or of the wider business, you are building in a silo.”

Robin Lewis, General Manager, Retail, Commercial and Electronic Banking at First Citizens Bank
Championing customer needs

The CCO has many of the expected characteristics from someone who is leading, at a senior level, a cross-functional team with a focus on meeting the current and future demands of customers. They espouse strong leadership, with 92% saying the ability to lead and motivate teams is essential. They support integrated sales and marketing activity, with 78% believing that companies do best when the two functions are jointly responsible for the multichannel approach. And when it comes to customer focus, they get more satisfaction from meeting client needs than either the CSO or CMO.

78% believe they add value by building a successful sales and marketing force.

73% assert that they use customer feedback to develop the business.

71% say that sales and marketing are in regular contact about innovative ideas and strategies.
The constantly changing customer

The average CCO accepts the need to evolve. Nine out of 10 believe it is essential for commercial leaders to manage change effectively and more than two-thirds say they drive forward sales and marketing practices tailored to a constantly changing customer. However, there are signs that CCOs have not yet grasped the need to harness technology and data to understand and satisfy the customer. Just 49% consider that they get on well with the CIO, despite the fact it is they who hold the key to the business-critical potential of technology and data, whereas 82% feel they have positive relations with the CSO and 78% with the CMO. Furthermore, only 7% say the use of technology has changed their job in the past five years, while one in three feel they ensure the company uses new communication channels effectively.

“The customer experience is something that needs to be viewed across all company functions. It’s not just something that impacts sales or marketing; it cuts across the wider value chain too. If one function ‘owned’ the customer and all the data regarding them, it would be far easier to manage all the information and to measure the outcome.”

Alessandro Buccella, EY EMEIA Customer Practice Leader
Next stop, the top

Most C-suite members will have come across heads of integrated sales and marketing functions but, due to the relative newness of the role, far fewer will have yet worked with a CCO. Many are, therefore, still unclear about the position’s remit, skills and customer focus. However, those executive board members who are familiar with CCOs clearly hold them in high esteem. The survey results show that the C-suite thinks the CCO is significantly more likely to become CEO within five years than either the sales or marketing chief.

34% of the C-suite says the CCO will be CEO in five years (CSO: 13%; CMO: 11%).

“Sales and marketing roles are merging together so much that, in five years’ time, I think one CCO will have replaced the CSO and CMO. The leadership team will be just the CEO, CCO, the heads of IT and finance and the COO.”

Niels Møller, President, Central and Western Europe at Danish jewelry designer and manufacturer Pandora
Do you have the potential to be a successful CCO?

- How are you integrating the digital experience in your commercial practices?
- Which analytics have you used to measure the customer experience and how are you using the results to improve it?
- In what ways are you collaborating with other teams to ensure all customer touch points reflect the brand?
- What programs are you pursuing to improve the customer experience?
- How are you developing collaborative relationships with customers?
- In what ways do you monitor customer-centric companies, both inside and outside your industry?
- How does your contribution to the board drive company strategy?
- In what ways have you partnered with the CIO to ensure integrated company information systems?
- How do you make sure you and your team remain up to date with technology?
- Which means do you use to mine relevant cross-channel customer data?
Total customer focus

Integrating multiple customer touch points under a CCO can yield many potential benefits. Businesses are more likely to have a consistent, company-wide approach, while customers get an advocate on the executive board. That said, a CCO is not a universal remedy. Companies, like individuals, have different DNA, and some may be better served by separate CMO and CSO roles. Other companies may prefer another title for the role. For example, some emphasize the role-holder’s responsibility for the entire customer experience by calling them “chief customer officers.” Whatever title they use, companies that go down the CCO route should realize it takes more than one individual to deliver a seamless customer experience.

Businesses must also ensure that:

- Their entire organization focuses on the customer, providing the products and services they want, when they want.
- They have the technology and mindset to collaborate, sharing customer data and insights across the company.
- Sales and marketing see themselves as commercial representatives in integrated customer experience teams.
- C-suite members are judged on their contribution to the optimum customer experience, rather than on prejudiced views of their function.

“To compete for the new customer, the whole organization must be involved in creating the optimum and integrated customer experience, with a CEO at the helm who is passionate about the issue.”

Woody Driggs, EY Global Advisory Customer Leader
A combined CMO and CSO role: yes, no or maybe?

**Gayle Daniel-Worrell**  
VP Marketing, Communications, Distribution Channels, Trinidad and Tobago Unit Trust Corporation

“I think it’s beneficial to have one person overseeing both functions because marketing makes the promise and sales has to deliver on that promise, so it’s useful if both sides are on the same page and closely aligned. Obviously, they can’t be more closely aligned than coming under the same role.”

**Michael Meier**  
Co-Leader Global CMO Practice, Egon Zehnder

“I favor having a split role, with a strong marketing leader and a strong sales chief with responsibility for their respective areas. I think it is a better model than having one person at the top, when you will often end up with a person who is not strong in one of the functional areas — and, of course, one level down, you will have the split anyway. Clearly, both leaders would need to work well together. It all boils down to collaboration and having sales and marketing leaders with the right competencies and characters.”

**Lisa Bacus**  
EVP and Global CMO, Cigna HealthCare

“I’ve worked both in environments where there was one person leading sales and marketing and, in others, where there were different leaders of the two functions. However, I have always believed that, if I’m going to be successful, I have to closely align with my sales partner. I have a sales background, as the first five years of my career at Ford were in sales, so I think that makes a difference as well. It would be very challenging for me to think, or pretend, that I could know how to serve our customers if I wasn’t aligning with my sales partners.”
An unbeatable package?

In today’s volatile commercial world, no strategy can guarantee sustainable success. However, companies that are driven by customer centricity and that gear their entire organizations toward the personalized wants and needs of customers are more likely to succeed. Those businesses that, in addition, have a CCO to champion the customer experience across an integrated value chain may well prove unbeatable.

“At the end of the day, you want to be able to run a business that’s based on understanding and solving customer problems. Because if you solve the problems customers face every day, not only can you build advocacy, but you can start to locate white space opportunities in the market that other peers can’t see.”

Mark Reinke, Executive General Manager – Group Marketing at financial services provider Suncorp
Appendix

This perspective draws from *Competition, coexistence or symbiosis? The DNA of C-suite sales and marketing leaders*. This EY report, which was launched in September 2014, examines the emergence of the CCO and the changing role of the CSO and CMO as digitalization, proliferating channels and growing customer power transform global commerce.

The report assesses what it means to be a sales and marketing leader today, considering how:

► CCOs, CSOs and CMOs view their key relationships, measure their success and core competencies and define the ideal sales, marketing or commercial leader
► The C-suite perceives the three roles
► The roles are evolving, including the emergence of commercial leaders who head both sales and marketing

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