



CIO/CMO Partnership Survey

Executive Summary



CIO and CMO Working Relationships Favorable but Room for Improvement

While the majority of CIOs and CMOs rate their relationship favorably a recent survey conducted by CIO suggests there may be room for improvement. Most of the 237 top IT executives and 140 top marketing executives surveyed in the first quarter of 2013 rate their relationship as 'good' or 'excellent', yet relatively few of them consider their CMO or CIO to be their most valued senior executive partner outside of their department or function (13 and 16 percent, respectively). While slightly more CMOs than CIOs give their relationship the highest possible rating, more CIOs consider their relationship with their CMO 'good' or 'excellent' (82 percent, compared to 77 percent). Roughly nine out of ten respondents on both sides positively rate their relationship with the CEO.

▶ OF NOTE

Both sides find it more difficult to maintain positive relationships in enterprise organizations than their peers in small and medium size companies do.

CIO View of Relationship with CMO

	Excellent	Good
Total responding	38%	44%
Less than 1,000 employees	44%	39%
1,000+ employees	28%	53%

CMO View of Relationship with CIO

	Excellent	Good
Total responding	42%	35%
Less than 1,000 employees	51%	26%
1,000+ employees	23%	55%

Survey results suggest both sides find it more difficult to maintain positive relationships in enterprise organizations, than their peers in small and medium size companies do. Forty-one percent of CIOs expect their relationship with their CMO will be better a year from now, while 27 percent of CMOs anticipate their relationship with their CIO will improve in the same timeframe.

More than One in Four CIOs View their CMO as a Rogue Player

CIOs are fairly divided when it comes to how they characterize their CMO. More than a third of the top IT executives responding categorize their CMO as a consultant that evaluates and advises on the business need, technology choices and providers when prompted. Twenty-six percent of CIOs (compared to just 6

OF NOTE

CMOs are more likely to view their CIO as a risk assessor primarily evaluating and advising on technology choices and providers.

percent of CMOs) view their CMO as a rogue player primarily doing their own thing in technology procurement for new initiatives which creates transparency and visibility challenges.

CMOs most frequently view their CIO as a strategic advisor who proactively identifies business needs or opportunity, and makes recommendations regarding technology and provider selections, or a consultant. CMOs are more likely to view their CIO as a risk assessor primarily evaluating and advising on technology choices and providers primarily through a risk management, security, or governance lens. And more CMOs, albeit in smaller numbers, view their CIO as a roadblock who raises enough red flags and other obstacles to considering new technologies that projects are difficult to complete. Verbatim comments from each group agree that better and more frequent communication is needed on both sides.

Relationship Type

	CIO View of CMO	CMO View of CIO
Consultant	36%	30%
Rogue Player	26%	6%
Strategic Advisor	24%	31%
Risk Assessor	8%	19%
Roadblock	6%	14%

CIO and CMOs Differ on who is Driving Investment

When it comes to cloud computing both sides are more likely to agree that IT is primarily responsible for driving investments although the CIOs are more likely than the CMOs to point to the IT function as leading in this area (71 percent, versus 51 percent). Large company CIOs are significantly more likely than CIOs in small and medium sized organizations to identify IT as the driver of cloud investments (80 percent compared to 67 percent). Both sides also agree that IT has primary responsibility for driving consumerization of IT related investments although in smaller numbers among the CMOs (44 percent, versus 54 percent for CIOs).

When it comes to CRM and demand generation tools, both sides point to marketing and sales as the functions primarily responsible for driving investments but the CMO group is more likely than the CIOs to identify marketing as the primary driver (45 percent, versus 26 percent). The sales function is more frequently identified by the CIOs with 29 percent pointing to this group, compared to 21 percent for the CMOs. Large company CIOs are significantly more likely to

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▶ CONTINUE THE CONVERSATION

The growing need for collaboration and alignment between the CIO and CMO for technology solution adoption—highlighted in this survey—has sparked the launch of the CIO/CMO Agenda event, produced by CIO in partnership with The CMO Club.

◎ CIO/CMO Agenda
June 27, 2013
Hotel Nikko
San Francisco, CA

For more information on this event, and to view the full agenda, please visit www.ciocmoagenda.com. To register to attend* please visit: www.ciocmoagenda.com/ciocmo.

**Our audience consistently rates peer-to-peer networking opportunities as one of the top reasons they attend CIO events. To that end, all attendees must be senior level executives (i.e., CIOs, CSOs, CISOs, or VPs) or equivalent involved in the purchase, evaluation or recommendation of IT products/services; or senior level marketing executives (CMOs or VPs).*

point to marketing as the lead for CRM and demand gen (34 percent, versus 21 percent for SMB). Both groups point to the operations department when leading the charge for customer service systems (30 and 32 percent, for CIOs and CMOs, respectively) with the IT department the 2nd group cited most often (24 percent compared to 16 percent for the CMOs).

The biggest disconnect involves investments in mobile and big data. Nearly half of the CIOs surveyed (46 percent) identify IT as the primary driver of mobile investments, however, the CMOs most often point to marketing as leading the charge (29 percent) followed by IT (26 percent). One quarter of CIOs in companies with 1,000 or more employees point to marketing as the lead for mobile investments, significantly higher than their peers in small and medium size companies (11 percent). CIOs most frequently point to IT as having primary responsibility for investments in big data and segment analytics (42 percent, versus 22 percent for CMOs) while the CMOs most often point to marketing (33 percent, compared to 13 percent for CMOs). CIOs in large organizations are significantly more likely to say that the finance and accounting function drives big data and segment analytics investments than SMB CIOs (18 percent, versus 8 percent) and CMOs are more likely to point to the engineering team as leading the charge (18 percent, versus 4 percent).

Marketing's Tech-Related Budget Growing More Quickly but Both Groups Feel Vulnerable to Cuts

The percentage of marketing budgets allocated to marketing-related technology and services is expected to grow more rapidly over the next year – from 15 percent to 20 percent - than the percentage of budget for these same items within the IT budget (12 percent to 15 percent). Marketing-related technology budgets in large organizations are expected to grow from 14 percent to 23 percent, faster than those at small and medium size companies (15 percent, to 18 percent).

The CMOs we surveyed most frequently point to their own function as an area most likely to experience cuts first in the event of reductions (51 percent) with just 14 percent citing IT, behind administration (40 percent) and operations (19 percent). Nearly half of the CIOs identify administration as an area that would be cut first in the event of budget reductions (49 percent) followed by IT (37 percent), operations (34 percent), and marketing (27 percent).



Methodology

The CIO-CMO Partnership Survey was conducted with the objective of gauging how top IT executives and top marketing executives view their working relationship. The survey consisted of two sample groups – Chief Information Officers (CIOs) and Chief Marketing Officers (CMOs) – who were invited to take an online survey between February 5, 2013 and March 20, 2013. As an incentive to take the survey respondents had the option of signing up to receive a report containing highlights of the survey results. Results are based on 237 respondents indicating they are the top IT executive at their organization or business unit and 140 top marketing executives at their organization or business unit. Sample sources include CIO internal lists, members of the CIO Forum on LinkedIn, the IDG Enterprise internal customer database, third party sample, and outreach to CMO-level contacts and groups on LinkedIn. Percentages for questions where respondents could select only one answer may not sum to 100 due to rounding. For the purpose of this report small and medium sized companies (SMBs) are defined as organizations with fewer than 1,000 employees and large companies as those organizations with 1,000 or more employees. Not every respondent answered every question. The margin of error for a sample size of 237 is +/- 6.4 percent and the margin of error for a sample size of 140 is +/- 8.3 percent.

Respondent Profile

Chief Information Officers (CIOs): A broad range of industries are represented including business services (14 percent), high tech/telecommunications/utilities (13 percent), manufacturing (12 percent), financial services (11 percent), healthcare (9 percent), retail/wholesale/distribution (8 percent), education (8 percent), and government/non-profits (6 percent). Fifty-nine percent of respondents work in small or medium size companies with fewer than 1,000 employees while 39 percent of respondents work in large companies with 1,000+ employees. Seventy-eight percent are the top IT executive in their organization and 22 percent are the top IT executive at their business unit or location.

Chief Marketing Officers (CMOs): Thirty-one percent of respondents are employed in the high tech/telecommunications/utilities industry followed by manufacturing (14 percent), business services (13 percent), advertising/marketing/PR/ media (9 percent), retail/wholesale/distribution (6 percent), financial services (5 percent), healthcare (4 percent), and travel/leisure (4 percent). Seventy-one percent are employed in companies with less than 1,000+ employees while 29 percent work in companies with 1,000 or more employees. Sixty-eight percent are the top marketing executive in their organization and 32 percent are the top marketing executive at their business unit or location.

► SPONSORSHIP OPPORTUNITIES

Join the conversation around the growing need for collaboration and alignment between the CIO and CMO for technology solution adoption—highlighted in this survey—at CIO/CMO Agenda event, produced by CIO in partnership with The CMO Club.

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Turnkey sponsorships include speaking opportunities but are limited. Contact Adam Dennison, VP/Publisher at 508.935.4087 or adennison@cio.com.