The Future of Growth

Unlocking the CMO-CIO Partnership

Contents

Executive summary

Business leaders must navigate numerous challenges as they work to create value for their organizations and grow their business. Those that embrace the idea of delivering value to all stakeholders – the customers, colleagues, communities, and capital markets – are often more successful, a finding confirmed by the Institute for Real Growth (IRG) in its Impact Study, a global study that identifies best practices to support the shift from shareholder primacy to stakeholder value creation.

But to fully enable value for all stakeholders, there needs to be an effective partnership between the CMO and CIO so they can capitalize on martech and other technologies including artificial intelligence (AI) and align on business goals such as data-led decision making and increased customer engagement. This is the premise of IRG's report, "The Future of Growth: Unlocking the CMO-CIO partnership," commissioned by TCS.

But establishing an effective partnership remains a challenge. In fact, in a recent IRG poll, less than half of the CMOs reported having an effective collaboration with their CIO counterparts.
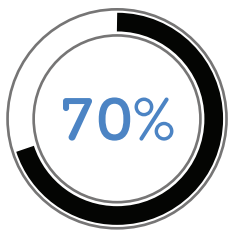
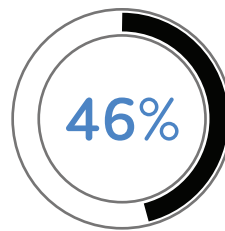## CMO-CIO engagement ranks the lowest among C-suite executives
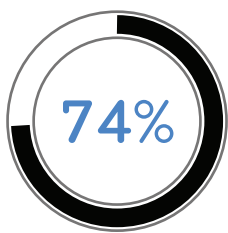
74% actively engage with chief commercial officers
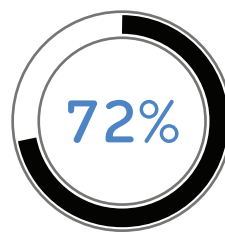
72% actively engage with chief financial officers

70% actively engage with chief human resources officers

46% actively engage with chief information officers

Source: IRG Impact study

The CMO-CIO report highlights the IRG's five drivers of Humanized Growth, defined as long-term value for all stakeholders, and identifies key interventions to strengthen the CMO-CIO partnership and accelerate the convergence of marketing and technology. The drivers, outlined in the Impact Study jointly led by the IRG and the Future of Marketing Initiative (FOMI) at the Oxford University Saïd Business School, provide a framework for creating Humanized Growth and differentiate overperforming organizations from their counterparts.

Five drivers of Humanized Growth for successful CMO-CIO partnerships
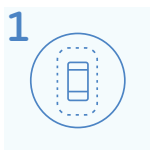
1 Ground

To achieve human-first stakeholder understanding, it is essential to align the roles of IT and marketing (e.g., communication function versus growth function) in the organization, and close any gaps between ambitions and capabilities. Then, create and sustain a joint learning agenda between the CMO and the CIO to facilitate ongoing mutual understanding. It is about investing in the relationship with a "give 60%, take 40%" mindset and appreciating that external partners also play a crucial role in the convergence.

2 Reimagine

Overperformers develop a future-backward vision for marketing and technology. Once they have defined the vision, they approach it with all the rigor and magic of marketing – they brand it, they market it, and they communicate about it. Create a pull in the organization, rather than a push. Finally, establish a long-term strategy to deploy martech iteratively, supported by short-term, fact-based feedback loops.

3 Focus

A holistic partnership strategy distinguishes between transformative and adaptive changes and ensures that there is no confusion between the means (IT solutions) and the ends (business objectives). Create budgets on an integral company-level that are led by dialogue between marketing and technology and anchored by business cases. Additionally, systematically evolve to joint KPIs to promote effective collaboration.

4 Organize

Fostering interdependence and collaboration across the ecosystem starts with aligning on current and desired levels of convergence. Then, teamwork can shift from briefings to co-creating and leaders can develop balanced, whole-brained teams where creativity and analytics are equally valued. To ensure the right culture and talent, the CMO and the CIO are jointly involved in key recruits.

5 Unleash

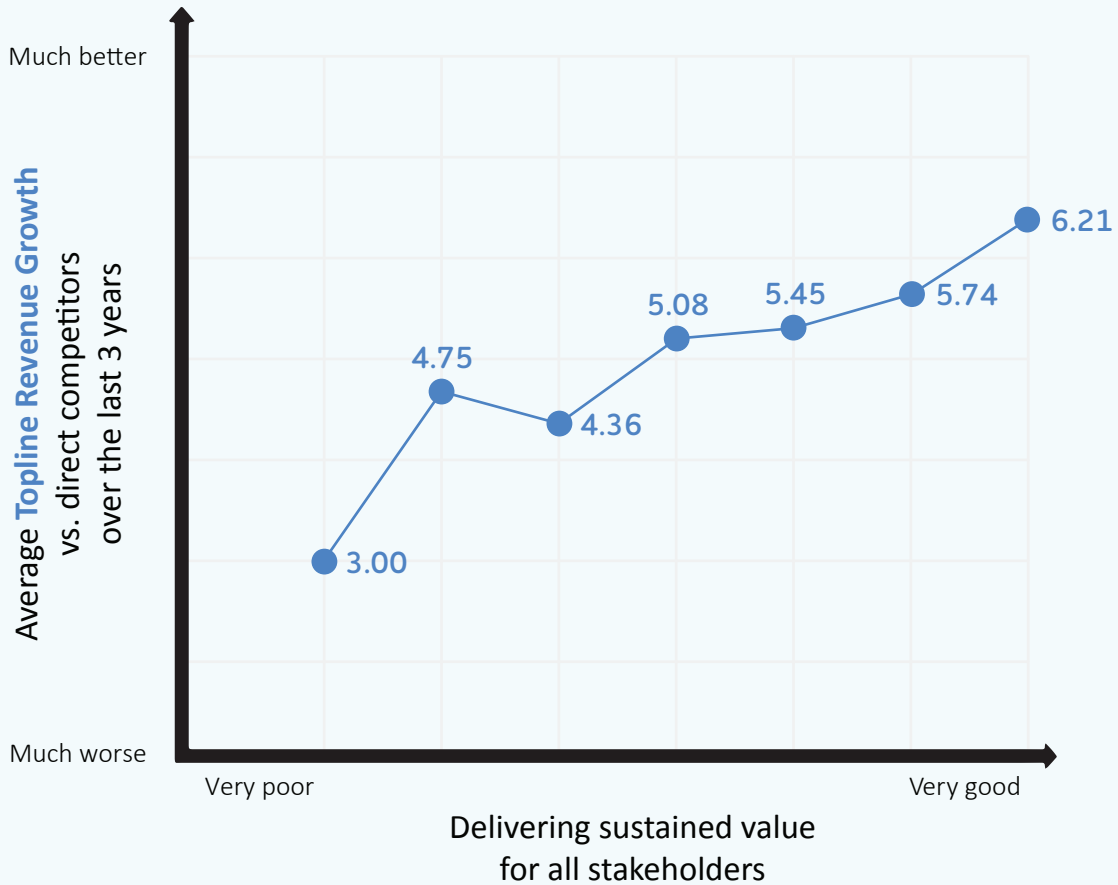Ultimately, an effective partnership comes down to personal leadership, meaning taking ownership and ensuring that the responsibility rests with the CMO and the CIO leaders. It is essential to model the successful behaviors of the partnership, endorsing and celebrating each other through joint sessions and presentations. Ultimately, it is about intentionally progressing together on the functional interdependence benchmarks.

The context

An overwhelming majority of business leaders understand the importance of stakeholder value creation and that the traditional growth formula based on shareholder value optimization is not working anymore. According to IRG, 90% of overperforming companies embrace the strategy of creating value for all stakeholders as a business opportunity.

Average Top-line Growth Correlates with Value Creation

Average Topline Revenue Growth vs. direct competitors over the last 3 years

Much better

3.00
4.75
4.36
5.08
5.45
5.74
6.21

Much worse

Very poor

Very good

Delivering sustained value for all stakeholders

N=731

Source: IRG Impact study

Martech solutions that drive value creation are on the rise. A good example is the Beauty Genius App from L'Oréal, which leverages data and technology to boost consumers' confidence that they are purchasing the right products for themselves. It is an AI-powered virtual beauty advisor that has been trained on more than 6,000 images, 10,000 products, and numerous in-store conversations to deliver an hyperpersonalized recommendation.

Innovations and experiences like this would not be possible without a close partnership between marketing and technology.

This partnership exemplifies one of the key findings of the IRG Impact Study that is based on 475 interviews of C-suite executives, a data benchmark of 800 responses, and an AI hyper-trend analysis.

The study found that overperforming growth companies drive more Humanized Growth, e.g., long-term value creation for all stakeholders, and one of the key characteristics of growth over-performers is a greater interdependence across functions and disciplines.

The research shows that CMOs tend to actively engage with sales, finance, and HR leaders, but less than half report an effective partnering CIOs (see page 3).

The collaboration between marketing and technology has long been a topic of interest. A decade ago, in the quest for better customer engagement, companies shifted their focus to digitalization. More recently, the e-commerce boom driven largely by COVID-19 and the increase of stringent data privacy regulations have brought the two functions closer together.

With the increased adoption of martech solutions, accelerated by AI and especially the newer Generative AI (GenAI), an effective partnership between marketing and technology has become one of the most important topics for C-level executives across industries and geographies.

Convergence – driver of value creation

The report convincingly points out that today, with the accelerated convergence between marketing and technology, the partnership between the CIO and CMO goes way beyond the typical digital transformation.

In deep-dive interviews, leaders spoke about the optimization and efficiency opportunities and the bigger potential of marketing and technology partnerships to be a catalyst of value creation for all stakeholders (this was especially true for overperformers).
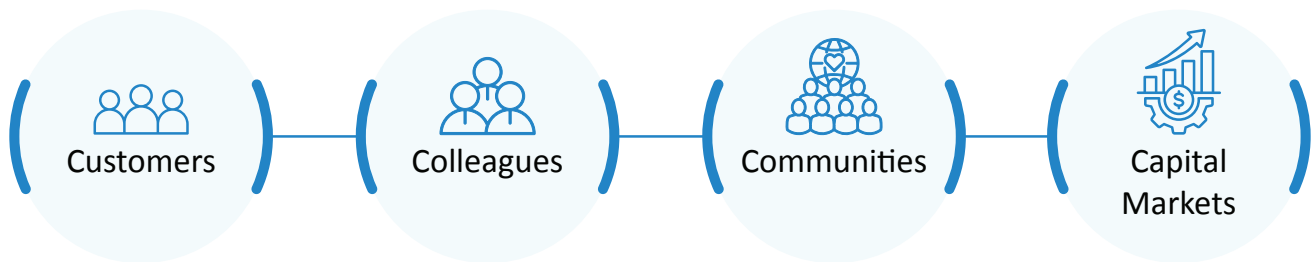
The following are some of the examples of driving value creation across the different stakeholder groups:

Customers

Addressing customer concerns with technology to deliver hyperpersonalized experiences, as illustrated on page 6, with the L'Oréal Beauty Genius App.

Colleagues

Reshaping the workspace, as one multinational technology company is doing with AI to automate repetitive tasks, which has resulted in significant efficiency gains. This enables employees to focus on high-value tasks, boosting job satisfaction levels.

Communities

Tech-enabled solutions, such as Sixt, a car rental company in Europe, which creates value for the local communities it serves by improving their mobility and lowering their costs, reducing emissions, supporting urban planning and promoting sustainable transportation alternatives through its marketing efforts.

Capital Markets

By constantly improving the search experience through AI, the Google engine is the absolute leader in the market. Attracting more users and advertisers means higher advertising revenue, which in 2023 was reportedly 78% of Google's total revenue.

The challenges

While existing literature recognizes the critical importance of an effective partnership between marketing and technology, it predominantly talks about the challenges of the CMO-CIO collaboration.

Our research confirms that indeed there is no formula for the effective partnership yet, and that the daily reality of the CMO and CIO is challenged by:

Lack of mutual understanding	Lack of frequent communication	Misaligned goals and objectives
Siloed teams and organizational structures	Gaps between ambitions and capabilities	Resource and budget limitations
Internal resistance to change	Lack of respect and trust	

Looking ahead, it will be increasingly challenging for CMOs and CIOs to navigate the landscape for marketing and technology.

Five drivers for an effective partnership

A common theme that emerged from discussions with senior business leaders in marketing and technology is that no organization has fully established the formula for an effective CMO-CIO partnership.

The report identifies pockets of excellence and best practices across organizations, anchored around the five drivers of Humanized Growth, as per the IRG Impact Study. The report continues to elaborate on the key findings, supported by case studies, relative to each of the drivers of Humanized Growth.

The IRG Impact Study

The IRG Impact Study, jointly led by the IRG and the Future of Marketing Initiative (FOMI) at the Oxford University Saïd Business School, is the first global study to identify best practices on the business pivot from shareholder primacy to value creation for all stakeholders – customers, colleagues, communities, and capital markets. It identifies five drivers that differentiate overperforming organizations from their counterparts. These five drivers provide a framework for understanding and implementing strategies to humanize growth and create value for all stakeholders.
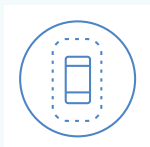
1. Ground
Human-first stakeholder understanding, engagement, and representation

2. Reimagine
Future-backwards vision and aspiring company role

3. Focus
Holistic strategy with transformative change areas

4. Organize
Fostering interdependence and collaboration across the ecosystem

5. Unleash
Role-modeling the IRG's da Vinci Leadership Profile to promote Humanized Growth leadership

1: Ground

The IRG Impact Study points out that overperforming companies start with a human-first perspective, grounding themselves in the realities of their stakeholders internally and externally.

In fact, martech tools can enable this; for example, social listening tools can allow everyone in a company to obtain real-life customer feedback on products or services.

Ideally, to make this work, marketing and technology would team up, fully aware of the joint potential they have, to deliver impactful experiences and business results. This would require a solid grasp of the realities of their stakeholders, and that includes understanding the context of each other.

The status quo

Despite how quickly martech is evolving, the majority of organizations are slowed down by existing systems that are not fit for the latest technologies. To enable effective modernization efforts, organizations need to understand the foundations on which their current strategies are built.

It is equally critical to define the role that the IT and marketing functions will play in the organization. For example, is IT critical on an enterprise level only? How does it contribute to customer understanding? Is marketing a communications function (e.g., launching new products and solutions) or a growth function (e.g., actively seeking market opportunities and developing new solutions)?

> " I would like to think about this partnership as growth and technology, rather than marketing and technology. "
>
> *– CIO, telecommunications company*

Mutuality

One of the often-cited barriers to effective partnership is the lack of mutual understanding and common language. However, our interviews confirmed that if this barrier is overcome, a truly effective collaboration can begin. Marketing strategies accelerate, customer engagements grow, and technology leads not only keep the lights on but design infrastructures that drive business impact.

Case study

A financial services company realized it was dependent on outdated legacy systems that lacked a unified infrastructure and that it was not ready to embrace new technology advancements.

In response, the leadership took a smart approach to pursue two parallel tracks – tackling the foundational issues for long-term readiness while also outsourcing initiatives in the short term to maintain competitiveness.

Once the roles are aligned, critically assessing the gap between ambitions and capabilities is one of the first steps toward an effective collaboration. The exercise of assessing each other's digital and commercial skills (e.g., creating a business digital strategy, data-led decision making and risk management, and business case development) can reveal valuable insights, foster a greater level of trust, and provide guidance on developing a joint learning agenda.

Key takeaways

Increasingly, leaders from both marketing and technology domains are intentionally making the effort to better understand and navigate each other's worlds. In some cases, the CMO and the CIO create joint learnings agendas.

> " We learn together. I took the CMO to Google Next, and he will take me to Cannes Lions! "
>
> *– CIO, consumer goods company*

> " As a marketer, it is about being conversant in the merging technical solutions, not fluent! "
>
> *– CMO, convenience chain retailer*

The business context

In interviews, business leaders shared that when goals and incentives don't align, it indeed feels like speaking a different language - the CMO focuses on the customer insights, and the CIO is preoccupied with maintaining a lean, secure infrastructure. In an ideal scenario, the CMO and the CIO are driven by the same ambition – to push customer experience and the business forward. Technology shifts to a proactive enabler of implementing business strategies.

Case study

With a strong customer-first mindset, a multinational technology company starts collaboration between the two functions with an in-depth strategic discussion around the needs of the customer and prioritizes continuous optimization of the experience.

> **"** We work with a framework that facilitates strategic conversations in the beginning – what are the roles and the goals of the audience. Let's first have the conversation about the customer, and then we can discuss how to make it happen through tech. **"**
>
> *– CMO, technology company*

An effective CMO-CIO partnership begins with a deep investment in getting to know each other.

Align on the roles of IT and marketing

Depending on the company context, have a clear alignment on the roles each of the two functions plays in the organization.

Create and sustain a joint learning agenda

Invest in understanding the latest trends and advancements in each other's domain. For example, attend each other's conferences and events. It is not about being fluent but being conversant in the field.

Case study

At AB InBev, technology is an enabler of stronger customer engagement, as illustrated by its first direct-to-consumer platform, TaDa Delivery, which offers cold beer in 30 minutes or less. But for AB InBev, this is more than just a sales channel, it is an opportunity to connect one-to-one with its customers and get to know them better; their preferences, their behaviors, and their interests. Ultimately, this leads to a better personalized experience and customer loyalty.

Over-invest in the relationship, e.g., a "Give 60%, take 40%" mindset

Invest time and resources at a personal level and move from transactional interactions to long-term relationship building.

Always consider the external partners' perspectives

Apply the same rigor used to get to know each other to learn about the external partners and suppliers in both functions.

2. Reimagine

The results of the IRG Impact Study clearly show that growth overperformers excel in long-term thinking. In other words, they aren't solely focused on winning today. In fact, growth overperforming companies invest twice as much on foresight (predicting the future) as they do on insight (describing the present or the past).

Overperformers invest in long-term vision

73%
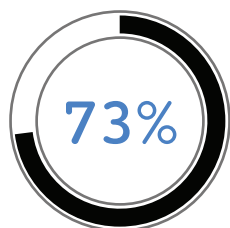
of overperformers invest in
a long-term vision

23%
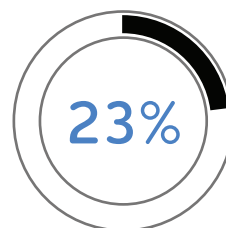
of underperformers invest in
a long-term vision

Source: IRG Impact study

Key takeaways

Long-term orientation

Our interviews reveal a contrast between companies. Some excitedly embrace the future as it unfolds while others are in survival mode, just trying to keep up with the developments. An effective partnership between the CMO and CIO means diving into the unknown together and shaping what's to come. However, for the senior leaders, it is not just about imagining the best possible outcome. It is also about having clarity on the potential barriers, challenges, and consequences, if the long-term vision is not implemented effectively.

Case study

For a financial services provider in the United States, the emergent move from physical retail to an online environment meant entirely flipping the business model. That was made possible only with a long-term perspective that was shaping the future rather than relying on current business models.

> **❝** The investments we are making now are huge, but we know that if we don't disrupt, we will be disrupted! **❞**
>
> *—CIO, consumer goods company*

Marketing and technology vision

A shared vision and foundation between the CMO and CIO can minimize areas of conflict and accelerate convergence. Yet so few leaders have gone through the exercise of aligning and communicating a shared vision the same way L'Oréal has, for example.

Case study

Ten years ago, L'Oréal had the idea to use digital channels to make beauty accessible to everyone, calling it the 20/50/100 vision (20% e-commerce, 50% personal relationship, 100% digital love brands).

At that point, they were also one of the first Fortune 500 companies to appoint a chief digital officer (CDO), at an executive committee level, and later to create the role of a chief digital marketing officer (CDMO), signaling a major shift in how they run marketing.

In 2018, L'Oréal decided it was no longer just a beauty company, but a beauty tech company, a testament to its ambition to establish a new type of relationship with its customers, one that is personal and inclusive.

With the motto "Beauty for each, powered by tech," L'Oréal is leading the category, with e-comm sales booming from 2% in 2014 to 28% in 2023.

And here is the unlock for L'Oréal - tech isn't the main focus. It is just that their customers engage most with the category online, and technology enables better solutions, such as AI skin and hair diagnostic tools. The end goal? "Create the Beauty that moves the world."

Organization engagement

The big challenge is to infuse the shared vision into the entire organization. OpenAI's ChatGPT, with its intuitive experience, free access, and benefits, became the fastest-growing consumer application in history, topping 100 million monthly active users in January 2023. Democratizing access can drive engagement. For example, at General Mills, everyone has the chance to experiment with AI. In January 2024, the company rolled out a pilot for MillsChat, a secure internal chatbot based on the PaLM 2 model from Google, which in February was implemented across the entire enterprise.

> " This is the idea of a lighthouse project - create something that doesn't have to be expensive, but just something that captures people's imagination. "
>
> —*CIO, creative transformation company*

As with any transformation, leadership endorsement and appropriate investment allocation helps. Take the example of one of the companies we interviewed. The CMO and the CIO first presented to the CEO a "quick and dirty" prototype using AI for content development to illustrate its potential. That same campaign won an award a few months later.

While vision is long-term, timely feedback is critical, like in the case of Microsoft, where there is a system in place that allows employees to provide feedback at any point, not just during a pulse survey. Once democratized, the improvement of a martech solution can benefit from a similar approach.

An effective CMO-CIO partnership begins with a deep investment in getting to know each other:

Develop a future-backward vision
Envision the desired future state and the role of marketing and technology, and then use that to inform strategies for moving forward.

Brand it, market it, communicate it!
Apply marketing strategies and tactics as if they are part of an external campaign.

Invest in pull, rather than push
Make martech tangible and applicable instead of conceptual and theoretical; experiment with quick prototyping and the democratization of the solutions.

Have a long-term vision, with iterative deployments and short-term, fact-based feedback loops
Ensure timely, short-term feedback loops from both internal and external stakeholders (e.g., the example of Microsoft and employee feedback).

3. Focus

The third driver of Humanized Growth emphasizes the importance of an integrated, holistic strategy to bring an organization's vision to life. In reality, many great visions lose their edges because there is no laser-sharp focus or translation into strategic priorities.

An example of a holistic strategy is CVS. When the retailer reimagined its future to become a health solutions company, the leadership team embraced the consequences, which meant stopping the sale of tobacco (exiting a very profitable $3 billion business).

Regarding marketing and technology, a holistic strategy requires the integration of business, marketing, and IT strategy, with strong prioritization and focused discipline.

But this is not easy. One of the CMOs shared with us that going to the west coast "to check out new tech" felt like visiting the zoo without knowing what to look for. With all the potential distractions from technology's many bells and whistles, it is imperative to have a clear strategy to navigate this domain.

Key takeaways
Adaptive vs. transformative change

Despite the unprecedented speed of change, not all developments are transformative and lead to fundamental shifts in processes, systems, or strategies. Companies who successfully navigate this dynamic landscape recognize a clear distinction between the daily adaptive changes and the long-term transformative interventions.

What sets reimagining marketing and technology and adopting martech tools like GenAI different from any other transformation? Typically, change is driven from the top, but in the case of GenAI and its democratization, it is the other way around. It is driven also from the bottom. When a convenience chain retailer prioritizes AI initiatives, the use cases come from the teams rather than leadership, and they decide what and how it is relevant.

> " AI will change everything we do in the next five years. The challenge now is how to set yourself up for that transformation while still delivering on the everyday needs of the business. Incremental changes simply won't take us there. "
>
> *—CMO, consumer goods company*

In the United States, General Mills is present in more than 95% of households. With its huge portfolio of food brands, there is a significant opportunity to cross-sell. Here is where tech comes into play. To provide customers with the most helpful product, the company can heavily rely on holistic household data. And there is a holistic marketing and technology strategy behind this ambition, one that General Mills' leadership has referred to as business-led, tech-enabled, and data-fueled.

This comes with a clear set of strategic pillars, e.g., talent development, agile ways of working, and the modernization of operations.

With this, General Mills not only enhanced its customer experience and operational efficiency, but also lays the groundwork for further innovation and growth.

Case study

In the case of an online credit provider, the daily adaptive changes (such as website updates, CRM campaigns, personalized offers, etc.) are handled by IT specialists sitting in the marketing team. However, the conversations around the impact of GenAI on the future of the business are handled at a strategic level, involving leaders of the highest seniority.

Shared KPIs

An effective way to accelerate the partnership between the CMO and CIO (and their teams) is the establishment of a shared set of KPIs (including growth KPIs, such as number of clients, price power, and loyalty, and efficiency KPIs). This gets everyone on the same page and allows for tracking progress, measuring performance, and making investments based on hard evidence. This does not mean forgetting about the domain-specific KPIs. In the interviews, the overperformers shared the notion of systemically elevated KPIs – starting from input, throughout, and output and merging into shared impact (growth) KPIs.

> " Because we have overarching goals, and we all understand how we contribute to them, there is no sense of competition or misalignment between the teams. Take the example of our seniors' offer – the joint goal is to grow the user base. Sales can sell it, marketing can market it, and IT can develop it, but we are all coming together to develop the proposition. "
>
> —CMO, insurance company

A large insurance provider in the United States shared that its product, sales, and marketing teams all share the same overarching goals and KPIs, which means that the CMO and the CIO make joint decisions on investments.

Governance, resources, and investment

Noted as one of the key barriers to effective martech implementation, the lack of resources or proper investment was mentioned in most conversations with business leaders. This report uncovers the importance of clear governance of key investment decisions, and that these decisions should sit at the senior level rather than being delegated down the organization.

> " Often there is over delegation in companies – key decisions which are critical for marketing and technology are pushed down the organization, to a point where the bigger objective gets diluted. The CMO and the CIO should co-pilot. "
>
> —*CIO, tax company*

Typically, investments are on three levels:

Infrastructure and architecture

IT is best positioned to lead, with the full alignment of the C-suite.

Strategic growth opportunities

overperforming organizations approach this with full collaboration to ensure digital investments are aligned with business strategy.

Use-case investments

a business-led dialogue between the two functions is crucial to ensure value realization and constant effectiveness, without increasing tech depth.

> " When we are talking about growth opportunities, the investment should be agreed on together – IT should say what is possible and efficient, and marketing should build the business case. "
>
> —*CMO, healthcare company*

Key interventions

1   **Distinguish between transformative and adaptive change**

Clearly classify which initiatives are leading to incremental improvements and which are going to transform your marketing and technology.

2   **Don't confuse means and ends**

Relentlessly manage the distraction from shiny new toys and don't lose sight of the end goal on the horizon.

3   **Integrate budgeting with dialogue led by business cases**

Share responsibility of the budgets and investments, and anchor those in the business reality.

4   **Systematically evolve to joint KPIs**

Be intentional in progressing the KPIs framework to ensure accelerated collaboration while keeping strong functional focus.

Growth KPIs (e.g., # of clients, pricing power, loyalty) and effeciency KPIs
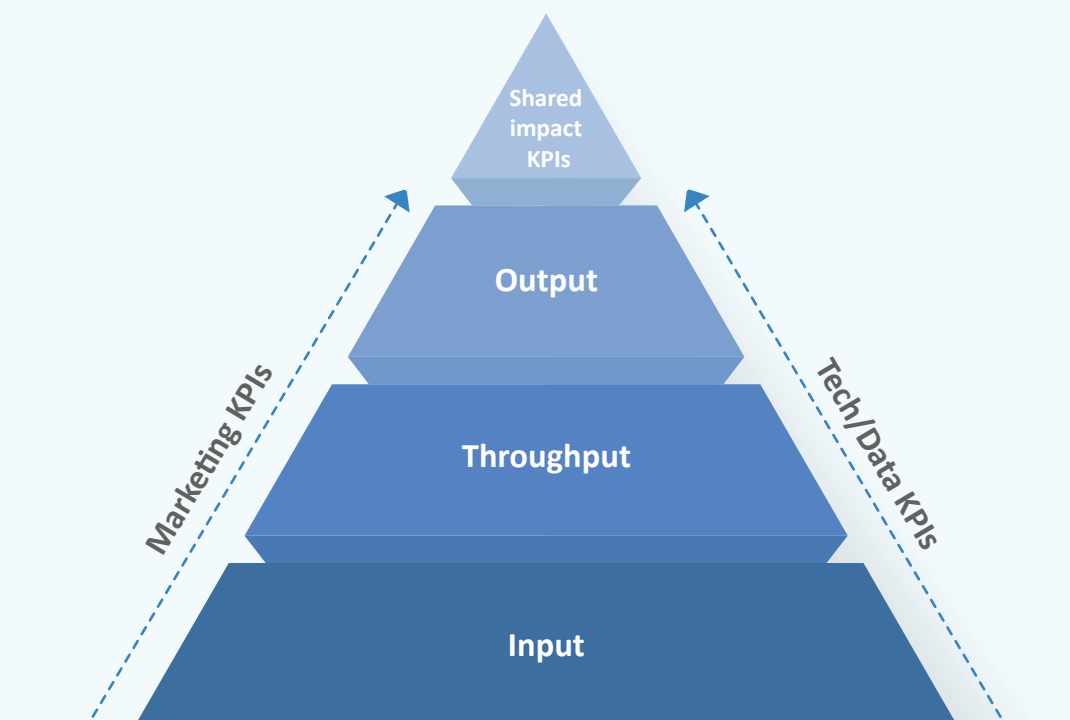
4. Organize

Working collaboratively is a critical enabler of driving Humanized Growth. It requires breaking down the silos – internally and across functions, business units, and geographies.

Our report confirms the importance of this driver. And every business leader, whether from the marketing or technology side, is grappling with how to organize for it.

With the proliferation of new roles and titles, e.g., CDMO, CDO, etc., this area is not easy to navigate. What we found in our conversations is that the unlock is to tackle both the soft and the hard side of setting up the teams for success.

Key takeaways
Open culture

In another study, the IRG Growth Study, overperforming companies did better than others at fostering a culture of innovation, change, and entrepreneurship, with a focus on people, teamwork, and collaboration.

This mindset is particularly critical. In the emerging context, the dynamic of briefing-proposal-decision-execution simply doesn't work anymore. More co-creation sessions, more hackathons, and more discussions at all levels play a critical role in fostering an open culture.

Case study

For a tax service provider in the United States, the shift by citizens to increasingly file taxes online pushed it to rethink its core in brick-and-mortar. Fully understanding that shifting to a new business model will take time, the leadership put in place squads of cross-functional experts that have enabled the organization to respond timely to the market dynamics and competitive pressure.

On a senior level, involvement in key recruits encourages more dialogue around the critical needs and capabilities, while at the same time creates transparency between the leaders.

> 66 It is crucial to have the right talent, with the right mindset and the right skills. For me as a CMO it is important that my CIO can work with my leadership team. In fact, I asked her to interview the candidates for one of my key positions. 99
>
> *– CMO, consumer goods company*

Our study uncovered different ways to break up silos, depending on the company context. The choice mainly depends on the current stage and ambition of the organization and goes through a few levels.

A highly effective intervention is to appoint one point of contact (POC) on each side to facilitate communication. Typically, they share responsibility of the prioritization and execution.

Overperformers succeed at removing silos
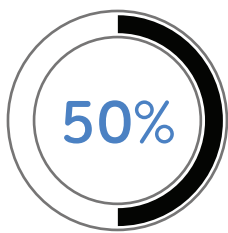
50% of overperformers are successful at removing silos
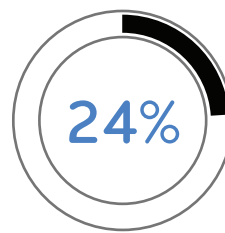
24% of underperformers are successful at removing silos

Source: IRG Impact study

> 66 It is critical to shift from one-to-many to one-to-one communication. It brings clarity, it is easier to set priorities … and most importantly, the two counterparts, from my team and my CMO's team can work closely together and build trust. 99
>
> *– CTO, healthcare company*

For a more streamlined example, quite a few organizations have created the so-called product owner function as a bridge between marketing and technology and also the owner of the product itself.

> **❝** My marketing team would work on the design and the experience of the solution, IT will make sure it is implemented, and the product owner would fully own the product. The product owners work directly under the GMs of the business areas. **❞**
>
> *– CMO, tax company*

With regards to organizing on a C-suite level, our report uncovered two different approaches:

1 In the case of L'Oréal, to help break up its silos, the company created the CDMO position (see page 15). This allows the organization to firmly connect IT capabilities to the business and to prioritize the most important business interventions, such as customer relationship management (CRM) and data-powered marketing.

2 The other example, on a C-suite level comes from a dairy company. It has taken an organized, cross-functional approach to digitalization by establishing a digital board. Led by the CFO, all executive functions are represented by the board, and they meet regularly. This organization doesn't have a CDO. The function sits under the CFO to ensure that the transformation is fully embedded in the organization rather than as a stand-alone function, and that everyone feels responsible. In this way, decisions are jointly made across sustainability, supply chain, marketing, etc.

> **❝** Digital transformation doesn't stand alone. It's about how digital can enable the purpose and the strategy of the organization. Awesome digital solutions can truly power up that business growth! We call it digitalization for good, in line with our identifying good growth. **❞**
>
> *– Technology lead, dairy company*

Whole-brained teams

From the IRG Growth Study, it became clear that overperformers are twice as good at bringing in whole-brain talents. Key strategic questions, strategies, and activities are addressed from an analytical, creative, and empathetic perspective. The reality is that most companies are quite imbalanced in their ways of working.

Case study

One of the companies participating in the study, a U.S. healthcare provider, has a strong shared vision on placing the patient at the center of all it does. To challenge the team to deliver on this vision from a different angle, they hired a CMO that brings a strong consumer-focused background with nearly 20 years at Procter & Gamble. Having a significantly different background than the majority of the team, the CMO was able to motivate a different way of thinking - more patient-centric - establishing greater connections and leveraging creativity in doing so.

The unlock for whole-brained teams is not about quotas or equal numbers of creative and analytical people. It is about a mindset, where each side understands that they are interdependent and need each other to succeed.

> " Considering the complexity of the recent martech advancements, I know that I will only be as successful as we are together with my CIO. "
>
> *– CMO, bank*

> " AI is too big to be led by a single team. It needs our collective efforts, our different ways of thinking in understanding how to tackle one of the biggest disruptive forces. "
>
> *– CMO, consumer goods company*

Key interventions

1

Align on current and desired levels of convergence in the operating model and consider the right level, depending on the organizational context

Level 1: Appoint POCs in marketing and technology
Level 2: Appoint product owners in-between
Level 3: Establish a C-suite marketing and technology function
Level 4: Set-up an executive board jointly responsible for marketing and technology

2

Shift from briefing to co-creating

Embed design thinking and iterative loops; kick off any initiative with both the marketing and the technology perspective present.

3

Create balanced, whole-brained marketing and technology teams

Whole-brained teams are not about quotas and equal numbers of analytical and creative people, they are about creating a mindset of interdependence ("I'm only as successful as we are together.").

4

Involvement in key recruits

Both sides participate in the recruitment of key positions to ensure alignment from the beginning.

5. Unleash

Back in 2014, Tim Cook hired Angela Ahrendts to lead Apple Retail. One thing is for sure – it was not because she was a techie. She tried hard to reject the offer. But ultimately, both realized how complementary their expertise was. The partnership was based on respect for each other's expertise and trust.

Once more, the CMO-CIO report highlights the significance of personal leadership in fostering effective partnerships, emphasizing the attitudes and behaviors of the leader of the future, as captured in the IRG's da Vinci Leadership Profile.

Key takeaways
Leading change

If there is one critical unlock to a successful marketing and technology partnership, it is about leading change in the most impactful way. One of the partnerships that participated in our report also emphasized the need to create the right environment for a transformation to thrive by ensuring senior endorsement, training of colleagues, and finally, understanding each other's worlds.

> ❝ Digital transformation has to be scalable and for this to be the case, it's important to align it with the business outcomes. For example, GenAI is not a technology transformation, it's a business process transformation that leverages technology. ❞
>
> *— CIO, consumer goods company*

> ❝ I spend a lot of time with the CMO to discuss how we communicate with consumers, identify consumer cohorts, and how to engage with consumers on a daily basis - ultimately to make a strategic decision. ❞
>
> *— CMO, consumer goods company*

Acting strategically

For fast moving consumer goods companies, the fact that retailers like Amazon and Target are becoming media companies is both a threat and an opportunity. This calls for a strategic redesign of an organization's digital capabilities to better connect with external ecosystems and successfully participate in these retail media networks.

Driving results

Given the significant financial commitments and resource allocation, swiftly showing results helps not only to justify the investment, but also to secure a continuous report. Bringing a strong entrepreneurial mindset to the table, one of the leaders interviewed took the dual role as both CMO and CIO to help the company accelerate the transition.

> " Change is constant. You are never done with a digital transformation … but it is so crucial to be able to quickly prioritize what are the important things to focus on to drive impact. For a marketeer, it is unnatural to have so many different domains in their role, but the oversight allows me to prioritize and drive results both short- and long-term. "
>
> *– Dual CMO-CIO, healthcare company*

Building talent

With martech tools evolving at an incredible pace, having a culture that continuously learns and improves is paramount. How do you ensure that the team develops the right skills? How do you attract the right talents that are able to drive the company forward in the future?

> " We distinguish three levels. First, what does the full organization need to know about disruptive shifts such as AI? Then, what should the more dedicated practitioners know? And lastly, what are the true expert skills that are needed? "
>
> *– CMO, consumer goods company*

Collaborate and influence

Ultimately, what truly makes the difference is that magical ingredient that few have found thus far. Not only is it about building strong CMO and CIO partnership – that's just the first step. It's that the marketing and technology teams collectively foster that mindset. To achieve that the CMOs and CIOs must collaborate and influence their teams.

> " The unlock to our partnership? For me it is about the human elements – openness, trust, and gratitude. Very recently, the CIO challenged me on not being technically ready for a launch. And he was right – I listened to him because I trust that if he says something, it should be important! "
>
> *– CMO, convenience chain retailer*

Key interventions

1

The buck stops with you; take personal ownership

The partnership between the CMO and the CIO is probably one of the most challenging, and at the same time, exciting collaborations across the C-suite. But ultimately, unlocking the partnership to a level of interdependence is a shared responsibility.

2

Role-model the partnership, endorse, and celebrate each other

Demonstrate winning behaviors in front of the organization; endorse each other at presentations and events.

3

Progress on the functional interdependence benchmark

In effective partnerships, the two sides value each other's contributions more highly than their own contributions.

Independence

> I'm on board with the business priorities - I don't need marketing for that.

> I don't need to involve the CIO - I'm good at commissioning work to suppliers.

Dependence

> I need the CMO to give me the brief, with clear requirments.

> I need the CIO to tell me what's possible.

Interdependence

> We collabrate at each step of the process. I bring my expertise; my peer brings theirs. We trust and respect each other. We can't achieve great results on our own

The ultimate benchmark question

As you strengthen the collaboration between your marketing and technology functions, regularly ask yourself this question: How do you rate your and your peer's contribution to success?

If you are working 100% independently, you are not likely setting your team up for success, and the same is true if you are 100% dependent on your peer. Instead, you should strive for the middle ground: Interdependence.

Conclusion

A strong **CMO-CIO** partnership is fundamental to creating value across the business ecosystem, and its importance is growing as fast as the technological innovations that are driving it. But organizations still have work to do. Enacting a plan that stresses communication, shared goals, and collaborative, cross-functional work can move the relationship closer. And by following the five drivers of Humanized Growth, the partnership can succeed.

About the report

TCS partnered with IRG to create the report, which outlines the key takeaways on unlocking CMO-CIO partnerships from the study conducted by the IRG from April to June 2024. Underpinning the report is the IRG Impact Study and its five drivers of Humanized Growth, which creates long-term value for all stakeholders, brought to life with the CMO-CIO partnership perspective.

The report is based on:

1	2	3
The IRG Impact Study findings on creating long-term value for all stakeholders.	Literature review of available thought leadership, reports, and studies.	Qualitative interviews (n=60) with senior leaders from marketing and technology across industries and geographies.

Appendix

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About Institute for Real Growth

The Institute for Real Growth (IRG) helps business leaders worldwide drive more Humanized Growth by connecting them to peers, experts, and best practices. The IRG conducts research, delivers executive leadership programs, and offers advisory services to inspire and help implement Humanized Growth programs.

The IRG operates as an independent not-for-profit organization and is supported by WPP, Meta, Google, and TCS.

About Tata Consultancy Services

Tata Consultancy Services is an IT services, consulting and business solutions organization that has been partnering with many of the world's largest businesses in their transformation journeys for over 56 years. Its consulting-led, cognitive powered, portfolio of business, technology and engineering services and solutions is delivered through its unique Location Independent Agile™ delivery model, recognized as a benchmark of excellence in software development.

A part of the Tata group, India's largest multinational business group, TCS has over 601,000 of the world's best-trained consultants in 55 countries. The company generated consolidated revenues of US $29 billion in the fiscal year ended March 31, 2024, and is listed on the BSE and the NSE in India. TCS' proactive stance on climate change and award-winning work with communities across the world have earned it a place in leading sustainability indices such as the MSCI Global Sustainability Index and the FTSE4Good Emerging Index. For more information, visit www.tcs.com.

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TCS Interactive is the digital services business of Tata Consultancy Services. We pride ourselves on the often decades-long relationships we build with clients. Through our partnerships, we earn unrivaled knowledge of our client's business and systems, the kind of knowledge that makes transformation about genuine change. We use our mastery of strategies, systems, and stories to help companies unlock the full power of their brands, create customer value, drive growth, and build market share.