CCOs and CMOs Grappling With How Best to Define and Master Digital Strategies

New study by Peppercomm and the Institute for Public Relations finds that CCOs and CMOs are each managing the digital age in different ways

NEW YORK, September x, 2017 - The rapid evolution of digital and data is causing unprecedented and revolutionary changes on communications and marketing. While CCOs and CMOs agree digital and data are critical to organizational success, they are grappling with how best to describe and deploy both technologies. These are some of the findings from a study conducted by Peppercomm, in association with the Institute for Public Relations (IPR), titled, "Managing the Digital Age: A Dialogue with CCOs and CMOs." Nearly two dozen executives were interviewed to understand their specific challenges and opportunities around digital and data, and how they are trying to stay ahead in a hyperkinetic business and digital world.

Amid a spike in demand from stakeholders to accommodate their digital expectations, CCOs and CMOs have embedded digital in almost all facets of their communications and marketing strategies and have made it a formidable part of their annual marketing spend. However, they admit they haven't mastered digital, and how they define digital varies greatly across organizations.

"It's clear that no one has mastered the data and digital realm, and we are all being affected by the rapid speed of change," said Tina McCorkindale, Ph.D., President and CEO, Institute for Public Relations. "As an industry, we need to develop best practices and standards to help the profession be stronger, smarter, and better equipped for action."

Some CCOs/CMOs said they use digital to drive media relations, while others view it as the foundation of their brand house, with digital channels and platforms constituting the walls, doors and windows. Who owns digital within an organization also differs from company to company, but many have seen their digital role evolve over time. For example, one communications executive said digital operates as a shared service within her organization, utilized by both communications and marketing departments to create stronger integration across the board. In addition, the report also highlighted there is no universal agreement as to whether the CCO or CMO should "own" customer experience.

"While everyone wants it, needs it and understands its critical role, the CCO/CMO landscape is a veritable Tower of Babel when it comes to defining *exactly* what digital is. That's problematic since, like measurement, our marketing and communications leaders really should be singing off the same song sheet. Helping nail down *exactly* what digital is and how best to deploy it is an *ideal* research undertaking for the IPR to tackle," said Steve Cody, cofounder and CEO of Peppercomm.

The digital age has also created a vast amount of data available to communicators and marketers to aggregate and analyze. However, CCOs and CMOs continue to face challenges when it comes to interpreting and leveraging data effectively. Although more than 90 percent of organizations maintain databases to host information on customers or prospects (eMarketer), Harvard Business School professor John Deighton found that data-driven marketing spend is around 20% of the \$1.3 trillion total annual marketing spend in the U.S. (DMNews).

And while there is an abundance of data available to the CCOs and CMOs involved in the study, those interviewed overwhelmingly stated the need to combine quantitative data with

consumer insight and first-hand experience to develop a balanced and successful strategy. One executive from a fresh food products company suggested CMOs should immerse themselves in technology, product and data because to fully understand how the consumer interacts in the moment, you have to actually use it yourself.

Communications and marketing leaders who can combine behavioral science with solid data will have the ability to make a significant difference within their company.

To download the full report, please visit www.instituteforpr.org/managing-digital-age-dialogue-ccos-cmos/.

This is the second study released by Peppercomm and IPR. The first one titled, "A Time of Change: How CCOs and CMOs are Handling a New Presidential Administration," was released in April 2017.

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About Peppercomm

Peppercomm is an award-winning strategic, integrated communications and marketing agency headquartered in New York City with offices in San Francisco and London. The firm connects brands, messages and people through data-driven insights, cross-channel communications and brilliant customer experience. Employing an omni-channel approach, the company uses customer insights to determine the right mix of tools and platforms to help clients reach, engage and influence customers along their path to purchase. Founded in 1995, Peppercomm has received numerous accolades, including *The Holmes Report's* North American Corporate/B2B Agency of the Year and *Bulldog Reporter's* Midsized Agency of the Year. The agency has been listed as one of *Fortune's* 10 Best Workplaces in Advertising and Marketing, 100 Best Workplaces for Women, 50 Best Small and Medium Workplaces and 50 Best Workplaces for New College Grads. For more information, visit www.peppercomm.com.

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Media Contacts:

Paul Merchan Peppercomm pmerchan@peppercomm.com 212-931-6172

Sarah Jackson Communications Manager Institute for Public Relations sarah@instituteforpr.org