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THE IMPACT OF CHIEF MARKETING OFFICER ROLE VARIANCE ON MARKETING CAPABILITY

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ABSTRACT

There is growing evidence that Chief Executive Officers (CEOs) have difficulty managing the Chief Marketing Officer (CMO) position. One source of this difficulty is a lack of knowledge regarding how CMO role design choices may vary across firms and whether this affects job performance outcomes. To address these questions, we identify critical CMO role characteristics that may affect CMO effectiveness and empirically examine their impact on firm-level outcomes. We employ a multi-method approach to develop and empirically test a conceptual model comprising: qualitative insight from interviews with CMOs, CEOs, and executive recruiters; secondary data compiled from CMO job specifications; and, primary data collected from CMO surveys at two points in time. Results indicate that three key CMO role characteristics interact to affect firms' marketing capability and performance: the responsibilities assigned to the position, the individual CMO's type of marketing experience, and the status afforded to the CMO position. We show that different types of CMO experience fit better with different responsibility sets, and that CMO role status amplifies the outcome of this fit. This research provides new insights into how to design and staff the CMO role to achieve better CMO success and firm-level outcomes.

Keywords: CMO, CMO role, CMO role design, CMO experience type, CMO position type, marketing capabilities, marketing organization, firm performance.

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INTRODUCTION

Growing evidence suggests many CEOs have difficulty effectively managing their firm's CMO position. For example, surveys suggest that 90% of CEOs trust their CFOs, but 80% lack confidence in their CMOs, and most CEOs (73%) believe CMOs lack credibility (Fournaise 2012). It is therefore unsurprising that CMOs have the highest turnover in the C-suite (Korn Ferry 2017). Yet, the CEO designs both the CFO and CMO positions and decides with whom to staff them. Unless CMOs are uniformly incompetent, CEOs are struggling to get the CMO role right—and the literature is of limited help in addressing this challenge.

While there is increasing academic interest in CMOs¹, research has primarily focused on the impact of CMO presence in top management teams (TMTs). Here, we more directly address the CEO dilemma by examining how CMO roles vary and their effect on outcomes, providing new insight into how CEOs, as CMO role architects and selectors, can reduce their own disappointment. We integrate insights from fieldwork, role theory, and person-job fit theory to develop a model of key CMO role characteristics that impact firm outcomes and employ a multi-method approach to build and test our model comprising: in-depth interviews with CMOs, CEOs, and executive recruiters (ERs); secondary data compiled from CMO job specifications (specs); and, primary data from CMO surveys at two points in time.

This research makes four primary contributions. First, we identify CMO role design as a key reason that CMO performance varies across firms, providing new insight into why some marketers are more impactful at the strategic-level of the firm. Extant CMO research has focused primarily on *whether* CMOs have impact; our study indicates the more important question is *why* some CMOs have impact and others do not. Our results show that the CMO

¹ CMO is used in this research to refer to the head of marketing, regardless of actual title.

position (i.e., responsibilities, status) and CMO person (i.e., marketing experience type) interact to explain variance in firm-level CMO role outcomes.

Second, we identify a new mechanism through which CMOs impact firm-level outcomes—by contributing to firm-level marketing capability. We examine the impact of marketers (i.e., CMOs) managing more or less of the firm’s marketing activities and show that this matters to firm-level outcomes. Specifically, we find that on average, the greater the level of responsibility of a CMO for a wider set of marketing tasks, the stronger the firm’s marketing capabilities and resulting firm performance. However, we also identify key person- and position-based moderators that can enhance or even reverse this relationship. This provides new insights into the antecedents of firm-level marketing capability.

Third, this research contributes to role theory by identifying heretofore unexplored key aspects of the CMO role. The primary focus of empirical work in role theory has been on individual, person-based role attributes (e.g., role stress) in the context of more junior roles (e.g., a salesperson). We identify important aspects of the CMO role, capturing both position- and person-based characteristics, and empirically establish how they relate to one another in ways that predict role outcomes. This provides the basis for new and more comprehensive conceptualizations of more complex executive-level roles.

Finally, this research contributes new insights for executives. CEO dissatisfaction with CMOs and short CMO tenures suggest that identifying how to design and staff the CMO role should be a key priority. Absent theory and evidence concerning variance in CMO roles, CEOs (and CMOs) have only their limited personal experiences to draw from. By developing a contingency-based model with supporting empirical evidence, this research helps explain why the CMO role is so challenging to design and staff, and provides specific new guidance on how CEOs, ERs, and CMOs can overcome these barriers.

CONCEPTUAL MODEL OF CMO ROLE

Upper echelons theory posits that firm outcomes are a function of the quality and implementation of the TMT's strategic choices, which are affected by individual TMT member and role characteristics (e.g., Hambrick and Mason 1984; Hambrick 2007). Using this lens, researchers have examined myriad CEO characteristics that may impact firm-level outcomes (e.g., Finkelstein, Hambrick, and Cannella 2009). However, little research has focused on the roles and characteristics of other TMT members such as CFOs, CIOs, and CMOs. We therefore adopt a theories-in-use approach to generate and integrate fieldwork insights regarding key CMO role characteristics and their likely outcomes (e.g., Menon et al. 1999; Tuli, Kohli, and Bharadwaj 2007). Specifically, we used fieldwork to: (i) identify existing theory-in-use that may provide insight into the CMO role; (ii) uncover the most critical CMO role elements that vary across firms; (iii) determine the proximate consequences of CMO role variance; and, (iv) aid in developing measures of the key constructs identified.

Fieldwork Design and Execution

Employing a triangulation approach, we conducted 110 in-depth semi-structured interviews with informants of three different types (50 CMOs, 25 ERs, and 35 CEOs) to enable cross-checking of qualitative data from different perspectives, providing a more complete and accurate understanding (e.g., O'Donoghue and Punch 2003). We first developed open-ended questionnaire protocols designed to tap interviewee understanding of the meaning, domain, characteristics, and consequences of CMO role variance. These were reviewed by three experienced researchers and pre-tested with five target sample informants.

Interviewees were identified using snowball sampling, appropriate for such hard-to-access, small populations (e.g., Kalton and Anderson 1986). We ensured representation of a range of different types of firms with CMOs and CEOs from a variety of industries (e.g., retailing, CPG, financial services, manufacturing, hi-tech, professional services), firm sizes

(from start-ups to *Fortune* 10 firms), and geographies (though all have U.S. operations). ERs were from a variety of firms (the four largest firms to smaller boutiques), with all ERs specializing in TMT positions (collectively placing more than 1000 CMOs). The semi-structured interviews lasted between 0.75-3.5 hours (mean 1.5) using both scaled and open-ended questions. These were transcribed, and independently coded by two coders, yielding an inter-rater reliability of 0.86 with conflicts resolved by agreement.

To supplement the interviews, we obtained a convenience sample of 160 CMO² job specs for a wide range of industries and firm sizes written by 30 different ER firms between 2008-13. These contain key information an ER requires to search for the candidate who best meets the firm's needs and are developed by ERs retained by the firm following interviews with the CEO and other key constituents. The CMO job spec is then approved by the CEO prior to the ER using it to find and introduce the position to CMO candidates. C-level job specs are extensive (ranging from 4-12 pages in our sample) and are specific to the individual position and firm. While individual ER firms use different formats, most CMO job specs include (at least) the position title; some reporting relationships; responsibilities; and ideal role-occupant skills. Conversely, they rarely include information regarding: objective expectations of performance and organizational "charts" (e.g., direct reports and peers).

A coding protocol based on a sample of the job specs was developed by the primary researcher, and two independent graduate assistants coded all job specs. This yielded an interrater reliability of 0.89, with all inconsistencies resolved after discussion. Table 1 contains the interview- and job description-based descriptive statistics.

The fieldwork suggested two theory lenses that may provide insight into CMO role variance. Role theory, which concerns the behavioral patterns characteristic of people and contexts, posits that individuals inhabit social positions that carry expectations (e.g., Biddle

² All of the job specs were for the highest-level marketing position in the firm, regardless of formal title.

1979; Linton 1936). Its core tenet suggests that people behave in ways that are predictable based on the role they inhabit but yet different from other roles (Biddle 1986). Thus, role theory suggests that there are distinguishing attributes differentiating CMO roles from other C-level roles. Role theory further indicates that any role comprises both a position (i.e. the “part” in theatrical terms) and a person (i.e. the “actor” playing the part).

However, given our research objectives role theory has two shortcomings. First, while identifying position- and person-based characteristics as key, research has primarily focused only on person-based behaviors (Biddle 1979; Matta et al. 2015). Second, while role theory identifies a number of different role constructs, it neither posits how they may relate nor identifies their relative importance for specific roles. This is reflected in marketing’s use of role theory, which has typically focused on individual role constructs such as ambiguity, stress, or conflict (e.g., Schmitz and Ganesan 2014; Wa Chan, Yim, and Lam 2010). Thus, although suggesting the CMO role is unique relative to other roles while sharing common characteristics across firms, role theory does not help identify specific CMO role characteristics and is largely silent on how and why the same role may vary across firms.

The second theoretical lens suggested by the fieldwork is “person-job fit” (P-J fit), which concerns congruence between the abilities of an employee and the requirements of their job (e.g., Resick, Baltes, and Shantz 2007). Grounded in organizational behavior and organizational psychology, P-J fit theory adopts an interactionist explanation for variance in role effectiveness—the compatibility between the individual role occupant’s abilities and the positional role they occupy (e.g., Kristof-Brown, Zimmerman, and Johnson 2005). Empirically, P-J fit has been shown to predict individual-level job performance as well as job satisfaction, organizational commitment, and intention to quit.

However, while P-J fit theory provides another useful lens for considering the CMO role—the degree of fit between the CMO role occupant and CMO “job”—it also has two

shortcomings in this context. First, most P-J fit research has focused on entry-to-lower level employees (e.g., secretaries) in the performance of a single task, such as typing (e.g., Caldwell and O'Reilly 1990). This may be of little relevance when considering complex C-level roles such as the CMO role. Second, P-J fit theory also provides no specificity regarding the CMO position and CMO personal characteristics that are most important to match.

To overcome specificity weaknesses in both theories, we therefore draw on additional insights from the fieldwork to identify key position- and person-based CMO characteristics, which we describe below.

CMO Responsibility. The most common interviewee response to an open-ended question regarding the ways in which CMO roles vary is the responsibilities assigned to the position (see Table 2a). For instance, an ER provided an example of two rival firms: *“They are both global firms and compete with each other. However, you couldn’t have two more different organizations in how they approach marketing. Company X’s CMO not only manages marketing but is the key leader who develops the strategic plan... and develops the innovation go-forward plan. In contrast, Company Y’s CMO is given a much smaller set of responsibilities and has almost no impact on strategy and innovation.”* The CEO of an industry organization working with CMOs further indicated that in terms of responsibility: *“...every CMO role is pretty much a snowflake—each is unique and different.”* Supporting this, the number of CMO responsibilities listed in the job specs ranged from 3-14 (median 9).

Both interview and job spec data indicate significant across-firm variance in the degree of responsibility CMOs have for marketing-related activities (see Tables 2b and 2c). For example, nearly all CMOs had primary responsibility for marketing communication/media (average responsibility of 6.3 out of 7), however, few had primary responsibility for pricing (average responsibility of 2.9 out of 7). In the job specs, only 6% listed distribution as a CMO responsibility while 94% included marketing strategy. The interviews suggested that

some activities are consistently managed by all CMOs across firms (e.g., brand strategy, marketing strategy, marketing implementation, marketing communications, and research / analysis) with most of the job specs (70%+) indicating that CMOs have responsibility for these activities. In contrast, fewer than 30% of the job specs indicated CMO responsibility for additional activities such as: retail/omnichannel, customer service/call center, pricing, corporate strategy, new business development, or distribution. This is consistent with the interviews which suggested that while all CMOs tended to have primary responsibility for core marketing activities, some also had ownership over an expanded responsibility set.

In aggregate, in line with role theory, the interviews and job specs indicate some commonality but also significant heterogeneity in the responsibility assigned to CMOs and indicate two primary types of CMO positions. The first type of CMO position has a set of responsibilities associated with “core marketing activities” that most CMOs tend to have primary responsibility for, including brand strategy, marketing strategy and implementation, marketing communications, and research. A second group of CMO positions has responsibility for additional areas beyond the core marketing activities, such as pricing, distribution/channel management, CRM and corporate strategy. We call this broader enterprise-wide set of responsibilities “non-core” and refer to the joint set of core and non-core CMO responsibilities as “expanded” marketing responsibilities.

CMO Primary Marketing Experience. Insight gleaned from the interviews suggests that the principal person-based characteristic on which CMO roles vary is the primary type of marketing experience of the individual role occupant. An ER indicated that there are “types of CMOs,” distinguished by the way in which they are trained and inculcated to think about the part that marketing should play within the firm—not least in terms of the impact that marketing is expected to have on firm outcomes. Interviewees indicated that such primary experience creates a dominant logic or paradigm through which CMOs learn to view, lead, and fulfill their

role requirements. It creates a belief system about what marketing is, who marketers engage with, and how they are supposed to impact the firm. For example, a President who is a former marketer indicated that: *“...marketers don’t realize the differences ... if you start at Pepsi or Unilever, you believe that marketing leads strategy, innovation, and execution. That just is what marketing is. However, the CMO who spent most of their career at a B2B software company learns that marketing doesn’t lead...they follow the firm’s leaders and exist to support them.”* An ER further indicated: *“What marketers are used to believing about marketing sets the boundary for what they learn and ultimately, how they manage marketing as CMO.”*

Across the interviews, three main marketing experience types emerged: (1) Staff; (2) P&L; and (3) Revenue. An ER indicated that one CMO who spent much of their experience in a marketing role at a software firm was “trained to believe” that marketers should support sales. Interviewees referred to this type of experience as “staff” and/or “support function”. The marketing role paradigm in such firms is to create value by helping the function(s) which primarily drive the business; consequently, the CMO tends to be held accountable for project deliverables, budgets, and interim metrics (e.g., brand image, click rates, traffic, ROI of a program). For example, a CMO working in a Fortune 500 financial services firm, who had primarily staff experience, talked at length in their interview about PR and brand reputation management, how their function “helped support the profit engine” of the firm, and how they were measured primarily on PR, brand image, and budget deliverables.

The ER contrasted this kind of experience with that of another CMO with primary experience in a beverage CPG firm, who was trained to believe that marketing should “drive the business”. At the beverage firm, marketers are trained to set overall business strategy and lead all functions in designing and implementing the programs to achieve profitable growth. Most interviewees described such experience as “P&L” (i.e., profit and loss) or “line function,” while some referred to such experience as “brand management”. Of the skills

sought in CMO candidates, according to the job specs, 70% listed “brand management / P&L experience”. Interviewees indicated that CMOs with such backgrounds are expected to drive top- and bottom-line impact since they have experience setting P&L goals, developing the strategic plans to achieve them, leading a broad set of internal functions and external vendors to implement the plans, and being held accountable for P&L results.

A third type of marketing experience centers on revenue generation, which conceptually falls somewhere between staff and P&L. As one ER indicated: *“There are a number of Chief Revenue Officer roles arising that marketers are filling. It’s a newer type of role—one that acknowledges that the CMO should lead top-line results but not necessarily profit since many people affect profit (e.g., finance, accounting, operations, human resources, and so forth).”* Interviewees suggested this results in a more focused view of impact relative to P&L Experience, anchored specifically on demand generation, such as lead identification and prospect-to-customer conversion. Such marketers have been trained to think about driving firm performance through top-line revenue growth and focus primarily on coordinating with a narrower set of internal peer groups than P&L marketers (e.g., sales, business development, strategic partners, technology, agencies, etc.). As the CEO of a global media company indicated: *“Many CMOs have revenue-only experience where they have experience driving the top line but have little-to-no experience in managing the bottom line.”*

Overall, the fieldwork suggested that a key difference between these three types of experiences stems from how CMO role occupants believe marketing impacts business outcomes. As one interviewee indicated, P&L CMOs view marketing as a leadership, strategic “quarterback” function, or the center of a hub and spokes design, that drives overall business results. In contrast, staff marketers are more likely to believe that marketing is a “follower” or “staff” function designed to support the department(s) responsible for driving top- and bottom-line performance (i.e., a spoke). Meanwhile, revenue-experienced marketers

believe that marketing should lead revenue growth through acquisition, retention, and loyalty.

Some of the language interviewees used to explain the different types of marketing experience is rooted in early conceptualizations of organizational structure, where “line” and “staff” were common dichotomies used to distinguish between those who had strategic-level decision authority (line) and those who provide advice and guidance on specific aspects of firm operations to the line managers (staff). For example, Allen (1955; p. 346) indicated that: *“Every company is organized for a specific purpose...but whether it be production, sales, research, or finance, the line component is the one that has direct responsibility for achieving the objectives of the enterprise.”* Similarly, Mintzberg (1979) suggested those in line jobs perform the role most closely associated with a CEO, albeit for a sub-unit of the firm, serving as boundary spanners with central decision-making authority and responsibility for driving firm outcomes.

CMO Status. A final frequently mentioned CMO role attribute exhibiting variance in our fieldwork interviews is the role’s status, i.e. the degree of importance afforded the CMO position (e.g., Biddle 1979). As an agency CEO indicated, *“...some CEOs value the CMO and marketing and others don’t...this impacts the CMO’s ability to move the needle...”*

Although respondents used different words such as “power,” “influence,” “status,” “stature,” “importance,” “centrality,” and “respect,” they consistently focused on the idea that the CMO role is endowed with positional status that can be more or less than that of other TMT leaders. This status then either enables or hinders the CMO’s ability to impact different outcomes. For example, a five-time CMO stated that: *“It doesn’t matter how experienced the CMO is or the job they are given if marketing isn’t respected by the CEO or their peers.”* Further, the CMO of a large retailer suggested: *“I’ve interviewed for several CMO positions over the past 10 years. In some, the CMO job doesn’t come with as much stature and therefore doesn’t have as much influence as the CFO or other peers...it is harder to have maximum impact.”*

Consequences of CMO role variance. The third objective of the fieldwork was to

identify and determine how CMO role variance may affect outcomes. While prior research has considered the impact of CMO presence (on the TMT) on firms' accounting and stock market performance (e.g., Germann, Ebbes, and Grewal 2015), we sought more specific insight concerning the mechanism(s) by which CMO role variance affects such outcomes. Interviewees identified a range of consequences that fall into three broad: *resource-related outcomes* (e.g., degree of employee turnover, ability to acquire/ access resources and recruit marketing talent); *process outcomes* (e.g., speed, quality, and efficiency of marketing decision-making and implementation); and *firm-level performance* (e.g., sales growth, innovation success, etc.). Although not precisely articulated, this suggests that the CMO role impacts performance via the firm's marketing capability development—the ability to acquire and deploy resources to perform marketing activities (processes) that deliver desirable outcomes (performance) better than rivals (e.g., Morgan 2012). For example, a CEO suggested: “*The CMO role impacts the processes and strength of marketing in the company...determines whether the marketing function runs efficiently and effectively...and can have a significant impact on the company.*”

HYPOTHESES

We draw on both role theory, which suggests there are unique characteristics which distinguish the CMO role from others in the firm, and P-J fit theory, which suggests there are person-related attributes and job-related attributes which must be compatible to drive role effectiveness and outcomes, as the foundation for the relationships among the key CMO role and outcome constructs identified in our fieldwork. We integrate this with fieldwork and job spec insights to develop the testable hypothesized relationships represented in Figure 1.³

CMO responsibility refers to the “*charter of delegated powers*” (Dunn and Legge

³ We do not hypothesize all possible direct and indirect paths involving the variables in our model; only those identified in the fieldwork as being important and/or for which the literature suggests theoretical support.

2001, p.74) given to the position and identifies the domain of activities within which the CMO can make and act upon decisions (e.g., Freund 1960). The number and degree of ownership for activities associated with a position represent authorized rights attached to the role (Finkelstein 1992; Hambrick 1981). Determining how responsibilities are allocated across TMT members is a key CEO decision. A CEO may allocate responsibility for all, some, or none of a firm's marketing-related activities⁴ to a CMO position. The CEO can also assign activities to more than one TMT leader, with decision rights divided between the TMT leaders who share responsibility for those activities. For example, consider two insurance firm CMOs where one has some responsibility for pricing, but it is very little (1 on a 7-point scale where 7 equals "complete responsibility") and the other has primary responsibility for actuarial and pricing decisions (6 on the 7-point scale). Both CMOs are involved in pricing but only the second has primary responsibility over pricing decision making.

We expect that when CMOs have greater responsibility for marketing activities, the firm will be more likely to develop stronger marketing capability for two reasons. First, from a "community of practice" perspective, employees who socialize with others performing related tasks and sharing similar work-related interests can improve learning, attain greater task-relevant knowledge, and strengthen collaboration (e.g., Brown and Duguid 1991). Research suggests that communities of like-minded individuals learn best from those with whom they associate, and that this is facilitated through work groups and physical proximity (e.g., O'Hara, Alani, and Shadbolt 2002). This is less likely to occur when some employees performing marketing activities are dispersed and/or housed in non-marketing departments. This should also apply to employee learning from those senior to them in the firm; when employees performing marketing tasks report to a non-marketing leader, their ability to learn

⁴ Here we refer to activities that marketing academics view as marketing-related rather than those that individual firms (or their CEO's) may view as comprising marketing.

marketing-related skills is likely hampered (e.g., Datta and Iskandar-Datta 2014; Grant 1996).

Second, in addition to the improved quality and efficiency of individual employee marketing-task performance, there is also likely a coordination benefit of the CMO having greater responsibility for related marketing activities. If responsibility is dispersed, there is a need to increase inter-unit knowledge-sharing and decision-making efforts, making coordination more difficult (e.g. Tsai 2002). The more that marketing activity responsibility lies with other TMT members, the greater the likelihood of integration challenges, reducing the CMO's ability to efficiently use resources to deliver desired marketing outcomes.

As previously discussed, the interview and job spec analysis suggested two primary types of position-based responsibility: (1) core, and (2) expanded (consisting of core and non-core responsibilities).⁵ Based on the above logic, we expect that:

H1: *The greater the CMO's responsibility for (a) core marketing activities, and (b) expanded responsibilities, the stronger the firm-level marketing capability.*

The interaction of CMO responsibility and CMO experience. The type of experience a CMO possesses refers to the individual's prior work history and indicates the kinds of knowledge and skills acquired, their beliefs concerning marketing's role and impact on firm performance, and the cross-functional peers with which they have regularly worked. This is consistent with management research which suggests that a manager's dominant logic—the way in which they interpret a business and allocate resources—is based largely on their prior experiences (e.g., Kor and Mesko 2013). Thus, a CMO's prior experience will determine their expertise, the partners with whom they have regularly worked, and their heuristics, assumptions, and schemas such that it affects their behavior and decision-making (e.g., Finkelstein, Hambrick, and Cannella 2009; Kor and Leblebici 2005). The type of experience a CMO has can therefore have an effect on their ability to effectively fulfill the

⁵ Neither the interviews nor the job specs suggested that there were CMOs who only had responsibility for non-core activities.

responsibilities assigned to the position. Drawing on the P-J fit literature, which suggests that the characteristics of an individual must fit with the requirements of the job, below we theorize how the three types of experiences identified through the fieldwork (Staff, Revenue, and P&L) may interact with the two types of responsibility (core and expanded) to impact firm-level marketing capability outcomes.

Staff Experience CMOs. CMOs with primarily Staff Experience tend to view marketing's role as supporting the firm's "line" function(s), managing the function as a cost center (e.g., Mintzberg 1979; Workman, Homburg, Gruner 1998). These experiences are typically found in firms where marketing plays a more specialized tactical support role and does not lead strategy development or growth-generating innovations. While belief about marketing's role and impact may be narrower than other experience types, the greater execution focus should enable Staff-Experienced CMOs to develop deeper knowledge and skill in core areas of marketing activity, such as brand strategy, promotion development, and marketing communications. For example, CMOs with a staff background have generally received more in-depth training in using marketing communications to change customer behavior. Thus, the nature of Staff Experience, which is deeper in terms of the degree of specialized marketing knowledge provided, better matches the more limited scope of a CMO position with only Core Responsibilities. Additionally, the view of marketing as a service-oriented function better fits the Core Responsibility CMO position. Therefore, a staff-trained CMO is more likely to have the paradigm, skill, and experience needed to effectively convert a core set of marketing activities into superior marketing capability.

P&L and Revenue Experience CMOs. CMOs with primarily P&L Experience think more like "general management marketers," having been held accountable for creating strategies and plans that have enterprise-wide, top- and bottom-line impact (e.g., Pielow 2010) and expect marketers to become GMs and CEOs. P&L-experienced CMOs should

therefore be better able to exercise effective control over the wider, expanded set of responsibilities (i.e., Core plus Non-Core Responsibility) because of their broader, enterprise-wide understanding of how to coordinate the firm to achieve profitable growth. Moreover, since Expanded Responsibility requires working with a broad set of internal (e.g., R&D, pricing, sales) and external cross-functional partners (e.g., new business development), P&L-Experienced CMOs have had more experience working with a diverse set of peers and therefore, should be better equipped to convert a broader set of resources into positive firm-level outcomes.

Likewise, a revenue-trained CMO has primary experience leveraging marketing to drive top-line growth and, like CMOs with P&L Experience, are used to being evaluated on their business outcomes (albeit only revenue), and more directly understand how their actions impact top-line growth and key financial outcomes. For example, a revenue-trained CMO may have experience in developing strategies that use the customer conversion funnel to isolate barriers to purchase and then develop programs to increase conversion and retention, which increase revenue.

Although the two types of more generalist CMO experience discussed—P&L and revenue—share a stronger connection to direct business impact, they have important distinctions regarding training, their marketing paradigm, and the way in which they impact firm performance. The P&L-experienced marketer is more likely to interact with a broader set of internal peers because of their top-and bottom-line impact, and is also more likely to expect that marketing is the leadership “line” function within the firm. However, their joint experience of marketing having direct business/financial impact and the more generalist experience that both P&L-and revenue-trained marketers have should enable these CMO types to better activate the potential of the Expanded Responsibility set.

Consequences of a Position-Experience Mismatch. We have argued that fit between

the position design and CMO primary experience type will lead to stronger firm-level marketing capability but have not addressed what happens when a “mismatch” occurs and the CMO experience does not fit with the position design (e.g., a P&L-experienced CMO is placed in a core-responsibility position). While it is not clear whether there will be a weaker, non-positive or negative impact on marketing capability outcomes, it is likely that firms with a mismatch between the CMO’s experience and the position will *not* see a significant positive relationship between the level of CMO responsibility and the firm’s marketing capability.

Our reasoning is that a mismatch between the CMO’s experience and the position’s responsibility means that the CMO’s views about the role of marketing and how it impacts the firm, and the “tools” they have developed during their career will prevent them from effectively leveraging the position’s decision rights and requirements. For example, when a CMO given a role with Expanded Responsibility has narrow, more specialized Staff Experience, they are less likely to possess the knowledge, experience, and beliefs required to effectively manage the people and activities associated with the broader set of tasks for which they are responsible. In such a circumstance, their belief about what marketing does—being a support rather than a leading function—and allied training to deliver this view is incongruous with the greater number of diverse responsibilities over which they have primary ownership. While such individuals may improve their ability to manage these tasks over time through increased experience with the Expanded Responsibility, they may often not be afforded the time to “grow into” the job given the short tenure of CMOs (e.g., Whitler and Morgan 2017).

The opposite circumstance—where the CMO has primarily P&L or Revenue Experience but is placed in a role with only a Core Responsibility set—may lead the CMO to attempt to influence or control areas over which they have no authority, while also failing to deeply engage with and lead their more narrow set of responsibilities. For example, in a discussion with a fast food CMO who had spent all of his career in P&L roles, he expressed

deep frustration over his new position and indicated conflicts with internal peers. This CMO talked about trying to influence real estate decisions, menu choices, and in-store operations—none of which were within his authorized set of responsibilities. Yet, because of his P&L experience, he was focused on influencing all of the growth-enhancing levers and attempting to lead the broader organization (which was the CEO’s job in this firm). The mismatch created friction and frustration. The result was that his P&L mindset led him to focus on activities over which he had little-to-no ownership while diverting attention away from primary duties, hindering this CMO’s ability to convert his role into effective firm-level marketing capability. Based on the above, we therefore expect that:

H2: *When the CMO has primarily Staff Experience, (a) the positive relationship between CMO Core Responsibility and firm marketing capability will be stronger; and (b) the relationship between CMO Expanded Responsibility and firm marketing capability will be weaker.*

H3: *When the CMO has primarily Revenue or P&L Experience, (a) the positive relationship between CMO Core Responsibility and firm marketing capability will be weaker; and (b) the positive relationship between CMO Expanded Responsibility and firm marketing capability will be stronger.*

The moderating role of status. Our interviews indicated that even when role occupants possess the experience required to fulfill the responsibilities associated with a CMO position, their ability to leverage the role into desired outcomes can be affected by other position-based factors. While a CMO can have responsibility for the planning and execution of specific marketing tasks, many of these tasks may still require support from other functional areas for needed inputs and complementary activities to effectively and efficiently deliver desired outcomes (e.g., Moorman and Rust 1999). In our interviews, the most commonly cited CMO role factor that may help or hinder in this regard was the CMO position’s status, i.e., importance relative to other positions within in the firm (e.g., Biddle 1986). Without appropriate CEO support, endowed through the position’s status, it may be difficult for any CMO to convert their experience and responsibilities into marketing task accomplishment.

When the status of the CMO position is higher relative to peers, the likelihood of cooperation, resources, and support from other TMT members is greater as they are more likely to see the importance of marketing's role in firm-level outcomes. This should enable the positive impact of CMO position-person fit to be strengthened by providing greater cooperation from other role occupants whose inputs and coordination are necessary to effectively and efficiently convert marketing actions into desired firm-level outcomes.

Even when CMO experience and position responsibilities are mismatched, greater status still endows the role with more influence, enabling the CMO to more easily achieve the resources and cooperation they request. However, providing the CMO with more influence when their primary experience does not fit the position responsibilities may exacerbate the non-positive or negative impact on marketing capability outcomes. This is because it provides the mismatched CMO with greater power to influence outcomes, despite not having the right experience type to effectively activate the position. Therefore, we expect that higher CMO status will likely magnify the non-positive or even negative effect as well as the positive effects of each of the CMO responsibility-experience interactions hypothesized. Thus:

H4: *The relationships in (a) H_2 and (b) H_3 will be magnified when the CMO position is given higher status.*

METHODOLOGY

Instrument Development

Primary data was required for testing the hypothesized model. As some of the constructs do not have established scales or indicators, we had to develop, test, and validate a survey instrument before we could assemble a database to test the hypotheses. To create the survey measures, we combined insights from the literature, job specs, and interviews detailed earlier. Surveying senior executives is challenging, and response rates have declined over time, making careful survey design and execution imperative (e.g., Cycyota and Harrison 2006). We therefore began by testing a draft survey with 3 CMOs, 5 doctoral students, and 3 faculty

members. Each individual took the survey and was interviewed with respect to the questions capturing their intended meaning, making refinements as needed.

The remaining instrument design, development and data collection were refined and executed over three waves. Wave 0 (pilot study) first involved 44 CMOs attending a CMO conference to validate the survey instrument and test the invitation. Incorporating feedback from the attendees, we modified the invitation and further streamlined the survey to ensure that completion took less than 10 minutes (e.g., Groves, Cialdini, and Couper 1992). We then re-tested the instrument by emailing it through a third party with whom CMOs had an established relationship to a new sample of 156 marketing executives using personalized invitations and a series of three follow-up emails, yielding 66 completed surveys.

To minimize common methods variance concerns, we took a number of steps suggested in the literature (e.g., Podsakoff et al. 2003; Rindfleisch et al. 2008) including: measuring the independent and dependent variables on different scales, reducing item ambiguity by using simple wording, employing different scale endpoints, and separating the dependent variables. In addition, we also used the pilot study to directly assess the potential presence of key informant bias by recruiting additional knowledgeable respondents from a sub-sample of firms ($n=35$). Correlations between the internal respondents on key items ranged from .74 to .80, indicating strong validity for the measures.

Subsequently, Wave 1 was implemented with participant invitations sent from the third-party company to all 1,560 senior marketing executives in their database, yielding 500 complete responses (32% response rate), of which 303 were from CMOs (i.e., heads of marketing), in line with response rates achieved from executive surveys (e.g., Cycyota and Harrison 2006). Differences between early and late responders were minimal, and between responders and non-responders on available demographic information (e.g., seniority, industry, length of relationship with third party) were likewise insignificant. Finally, Wave 2

was implemented 12 months later, targeting the 303 CMO respondents from Wave 1 using the same survey instrument, to obtain a second wave of data. This wave yielded 195 valid responses (for a total of 390 CMO-year observations, across both waves), which we use in our empirical analyses, allowing us to test causality, since we have repeated measures for all variables in the instrument (Rindfleish et al. 2008). Table 3 contains descriptive statistics, and the measures of hypothesized constructs are detailed below.

CMO Responsibilities: Based on established construct definitions (Piercy 1986), we adapted these prior measures to include additional marketing-related decision-right areas based on insights obtained from the interviews and CMO job specs. All twelve items were measured on a 7-point scale, anchored at (1) “*No responsibility at all*” and (7) “*Total responsibility*”. As expected, based on the fieldwork, job specs and pre-test data, exploratory factor analysis (EFA) of the twelve responsibility area indicators listed reflect two separate constructs—*Core Responsibilities* (marketing strategy, marketing implementation, marketing communications and media, market research and intelligence, and brand strategy), and *Non-Core Responsibilities* (CRM/loyalty programs, pricing, product development, distribution, selling/sales management, corporate strategy, and new business development). In a confirmatory factor analysis (CFA) in which all indicators were modeled to load on their respective latent constructs, which were allowed to correlate, loadings ranged between 0.59 and 0.72, and the average variance extracted (AVE) was 95% with acceptable model fit statistics (RMSEA = 0.089; SRMR = 0.078 and CFI = 0.853). Our empirical analyses use both constructs with *Core Responsibilities* and *Non-Core Responsibilities* as first-order factors, based on the five core indicators and the seven non-core indicators listed above. *Expanded Responsibilities* is a second-order factor, estimated using the full twelve responsibility area indicators which loaded onto their respective first-order factors.

CMO Experience: Based on the CMO interviews and job specs, we measured the

CMOs' previous experience in terms of the three broad category types identified in our fieldwork: Staff; P&L; or Revenue. CMO respondents were asked to identify which of these three types of marketing experience most closely represented where they had spent most of their time over their careers. These terms had emerged from the fieldwork and were validated during the survey development phase, the pilot study, and post survey respondent discussions. We use this categorical measure in our empirical analyses as a grouping variable, to calibrate estimates for each of these CMO experiences.

CMO Status: Using an approach based on prior research (Piercy 1985; Hayhurst and Wills 1972), respondents were asked about CMO status relative to the following positions: CFO; COO; CIO; R&D; Sales; and Human Resources. We used a 7-point semantic differential scale "Status of the CMO position relative to the head of..." anchored between (-3) "*A lot lower than*" and (+3) "*A lot higher than*". An EFA indicated that three of these indicators captured most of the variance in the CMO Status construct—CMO relative to CFO; COO; and, CIO. A CFA of the measurement model revealed factor loadings ranging from 0.69 to 0.86, an AVE of 82% and excellent fit statistics (RMSEA = 0.078; SRMR = 0.092 and CFI = 0.933). We use this estimated factor in our empirical analyses.

Marketing Capabilities: We followed Morgan, Vorhies, and Mason's (2009) approach to measure this construct and included the following items: strategic planning; product development; distribution channel management; marketing communication and media; selling; market research and intelligence; developing marketing strategy; pricing and marketing implementation. Respondents were asked how well their firm performed these marketing activities and responses were captured on a 7-point scale: (-3) "*Much worse than competitors*" and at (+3) "*Much better than competitors*". We assessed the measurement properties of the marketing capabilities construct via CFA modeling all nine indicators to load into a single latent variable. Loadings ranged between 0.54 and 0.76 with an AVE of 87%,

and acceptable fit statistics (RMSEA = 0.088; SRMR = 0.065 and CFI = 0.864). The estimated latent variable is used in our empirical analyses.

Firm Performance: This was assessed by asking respondents to “rate the firm’s performance over the past year, relative to competitors” using three aspects of firm performance: market share; sales; and profitability (e.g., Luo, Slotegraaf, and Pan 2006). We used a 7-point scale with anchors of (-3) “*Much worse than competitors*” and (+3) “*Much better than competitors*”. The measurement properties were assessed via CFA modeling all three indicators to load on the performance latent variable, with loadings ranging from 0.77 and 0.94, an AVE of 92%, and excellent fit statistics (RMSEA = 0.053; SRMR = 0.043 and CFI = 0.917). For the subset of public firms in our database (n=112) we found that the correlation between EBIT and the profitability survey indicant is 0.91, and with the estimated latent variable is 0.71, indicating the validity of the performance measure.

The *Core Responsibilities*, *Expanded Responsibilities*, *CMO Status*, *Marketing Capabilities* and *Firm Performance* construct measures were estimated using the regression scoring method, since this approach yields the smallest mean squared error. We confirmed the objectivity of the estimated measures, by verifying their equivalence to the factor scores generated via the Bartlett scoring method. Finally, to enhance comparability and interpretation, all construct measures in our analyses were rescaled to a 0-100 index scale.

In addition to the measures described above, we also assessed firm size by asking respondents to indicate the firm’s total sales revenue (in millions of dollars) for the last fiscal year. Finally, we classified each firm into one of 11 distinct industries/sectors, by matching each firm’s primary business segment descriptor with SIC (Standard Industry Classification) codes. We use firm size and industry membership as controls in our empirical analyses.

Hypothesis Testing

We use a recursive mixed process method to test our hypotheses for four reasons. First, it is

flexible in addressing simultaneously codependent error structures, which may be possible in our firm marketing capabilities and performance equations. Second, recursive mixed process estimation is robust to a variety of distributional assumptions on both the dependent and independent variables, including non-continuity and truncation. Third, this method also addresses heteroscedasticity and other concerns regarding estimation efficiency. Fourth, it allows the inclusion of multiple control variables, is efficient with relatively small sample sizes, and is capable of mimicking full-information maximum likelihood, yielding efficient and unbiased estimates (Gefen, Straub, and Boudreau 2000; Roodman 2011).

In summary, we empirically test our conceptual model and proposed hypotheses by estimating the following system of equations via recursive mixed process method:

$$\left\{ \begin{array}{l} \text{Firm Performance}_{it} = \alpha_0 + \alpha_1 \text{Marketing Capabilities}_{it} + \\ \quad + \alpha_2 \text{Core Responsibilities}_{it} + \alpha_3 \text{Expanded Responsibilities}_{it} + \\ \quad + \alpha_4 \text{CMO Status}_{it} + \alpha_5 \text{Firm Size}_{it} + \\ \quad + \text{Industry Controls} + \mu_i + \varepsilon_{it} \\ \\ \text{Marketing Capabilities}_{it} = \beta_0 + \beta_1 \text{Core Responsibilities}_{it} + \beta_2 \text{Expanded Responsibilities}_{it} + \\ \quad + \beta_3 \text{CMO Status}_{it} + \beta_4 \text{Firm Size}_{it} + \\ \quad + \text{Industry Controls} + \psi_i + \zeta_{it} \end{array} \right. \quad \begin{array}{l} \text{(Equation 1A)} \\ \\ \text{(Equation 1B)} \end{array}$$

where i identifies each individual firm, and t identifies the time period (Wave 1 or 2). *Firm Performance*, *Marketing Capabilities*, *Core Responsibilities*, *Expanded Responsibilities*, and *CMO Status* are the latent variables described above. *Firm Size* is the respondents' reported sales revenues for the preceding fiscal year. *Industry Controls* represent a set of mutually exclusive industry dummies (based on each firm's primary SIC code) that capture industry-specific fixed effects. Finally, μ_i and ψ_i are firm-specific, time-invariant error terms, while ε_{it} and ζ_{it} are firm-specific error terms, which can be adapted to fit a variety of distributional assumptions, as well as be allowed to covary.

Additionally, we examine boundary conditions on the association between CMO

responsibilities, marketing capabilities and firm performance in two different ways. First, we investigate the moderating role of CMO Status by estimating interaction effects between CMO Status, Core Responsibilities and Expanded Responsibilities (see equations 2A and 2B below). Second, using the CMO Experience type categorical variable as a grouping variable (i.e., subscript k), we calibrate a random coefficients model to obtain estimates specific to CMOs that have each of the three different Experience Type backgrounds. The random coefficients model specification used is detailed by Equations 1A/1B and Equations 2A/2B.

$$\begin{aligned}
 \text{Firm Performance}_{itk} = & \alpha_{0k} + \alpha_{1k}\text{Marketing Capabilities}_{itk} + \\
 & + \alpha_{2k}\text{Core Responsibilities}_{itk} + \alpha_{3k}\text{Expanded Responsibilities}_{itk} + \\
 & + \alpha_{4k}\text{CMO Status}_{itk} + \alpha_{5k}\text{Firm Size}_{itk} + \\
 & + \alpha_{6k}\text{Core Responsibilities}_{itk} \times \text{CMO Status}_{itk} + \\
 & + \alpha_{7k}\text{Expanded Responsibilities}_{itk} \times \text{CMO Status}_{itk} + \\
 & + \text{Industry Controls} + \mu_{ik} + \varepsilon_{itk}
 \end{aligned}
 \tag{Equation 2A}$$

$$\begin{aligned}
 \text{Marketing Capabilities}_{itk} = & \beta_{0k} + \beta_{1k}\text{Core Responsibilities}_{itk} + \beta_{2k}\text{Expanded Responsibilities}_{itk} + \\
 & + \beta_{3k}\text{CMO Status}_{itk} + \beta_{4k}\text{Firm Size}_{itk} + \\
 & + \beta_{5k}\text{Core Responsibilities}_{itk} \times \text{CMO Status}_{itk} + \\
 & + \beta_{6k}\text{Expanded Responsibilities}_{itk} \times \text{CMO Status}_{itk} + \\
 & + \text{Industry Controls} + \psi_{ik} + \zeta_{itk}
 \end{aligned}
 \tag{Equation 2B}$$

As it contains “repeated measures”, the dataset used to estimate the equations qualifies as panel data. This allows us to address estimation concerns associated with unobserved heterogeneity. However, our dataset is also a “large N, small T” panel data case. We therefore also estimate a differences model specification which allows us to address any remaining concerns regarding unobserved heterogeneity, as well as to establish causality. These additional analyses allow us to address concerns regarding common method bias, direction of causality endogeneity and generalizability, all of which are viewed as issues associated with survey data. Administering two surveys, separated in time addresses concerns regarding common method bias. Furthermore, examining the relationship between firm performance, marketing capabilities, and CMO responsibilities and characteristics using

changes in these measures (versus levels) resolves causality concerns and also addresses other potential sources of endogeneity and unobserved heterogeneity.

Data and Hypothesis Testing Results

Table 4 summarizes descriptive statistics for all constructs and indicators for survey Wave 1 and 2. Table 5 reports construct correlations for the complete sample (i.e., 390 respondents, across survey Wave 1 and 2) while Table 6 summarizes indicator correlations for the complete sample. Overall, construct and indicator correlations match those reported in Tables 7 & 8 for the joint panels, and all constructs and indicators have appropriate distributional properties. Additionally, we find that the main constructs are comparable across the two survey waves. We also observe sufficient cross-sectional and longitudinal variability to allow estimation of the differences-in-differences models. The correlations between the construct indicators suggest appropriate levels of convergent and discriminant validity. Additionally, all correlations are stable and consistent across survey waves, confirming appropriate levels of construct reliability. Finally, we also observe that the number of CMO primary experience backgrounds (i.e., Staff, P&L and Revenue) are distributed relatively evenly with 32% reporting Staff as their primary experience background, 38% P&L, and 29% Revenue.

Table 7 summarizes the hypothesis testing models assessing H₁. The first two columns summarize the main effects and interaction estimates for the entire dataset (i.e., 390 respondent-year observations common across survey waves). Columns three and four summarize the estimates for the main effects and interactions using a differences-in-differences model specification, using data for the 195 observations common across the survey waves. In the differences model we used changes versions of the variables by subtracting first wave observations from the corresponding second wave observation for the same firms. Overall, the differences-in-differences estimates are substantively identical to those for the levels-in-levels model.

The estimates reveal that the degree to which the CMO role includes authority over Core marketing responsibilities is not associated with subsequent firm-level marketing capabilities. However, the authority over Expanded CMO role responsibilities is significantly predictive of the level of a firm's marketing capabilities. Thus, H_{1b} is supported but H_{1a} is not. Additionally, the results also suggest that CMO status positively directly influences a firm's marketing capabilities. Unexpectedly, however, CMO status is negatively associated with firm performance—although not significantly for the differences-in-differences model (this relationship is further explored in Table 10 discussed below). Furthermore, the interactions model estimates indicate that neither of the CMO responsibilities interact significantly with CMO status in predicting marketing capabilities. As expected, a firm's marketing capabilities predict firm-level performance. We also observe that firms' marketing capabilities do not vary with firm size, and do not differ significantly across industries in our sample.

H₂ and H₃ testing results are shown in Table 8 and indicate substantial variance in the sample depending on the CMO's Experience Type. Supporting H_{2a} and H_{2b}, when the CMO's experience is primarily Staff, greater authority for Core Responsibilities is a significant positive predictor of firm marketing capabilities ($\beta=0.278^{***}$ vs. $\beta=0.119$), while Expanded Responsibilities are not ($\beta=0.161$ vs. $\beta=0.225^{***}$). Furthermore, as hypothesized, results also indicate that higher levels of Status given to Staff-experienced CMOs with greater authority over Core Responsibilities result in stronger firm-level marketing capability ($\beta=0.306^{***}$ vs. $\beta=0.013$). In contrast, the interaction of Expanded Responsibility and CMO role Status negatively predicts marketing capability for Staff-experienced CMOs ($\beta=-0.223^{**}$ vs. $\beta=0.046$). Overall, these results support H_{4a}.

For Revenue-Experienced CMOs, results indicate that the level of Core Responsibility is not a significant predictor of firm-level marketing capabilities ($\beta=0.157$ vs. $\beta=0.119$). This is also true for CMOs whose primary experience is P&L ($\beta=0.077$ vs.

$\beta=0.119$). These results offer partial directional support for H_{3a}. For both Revenue- and P&L-experienced CMOs, the estimates support H_{3b}, since the effect of Expanded Responsibility on marketing capabilities is significant and stronger ($\beta=0.270^*$ and $\beta=0.296^{**}$ vs. $\beta=0.225^{***}$). Additionally, for CMOs with primarily Revenue Experience, CMO Status does not interact significantly with CMO role responsibility for either Core or Expanded activities ($\beta=0.025$ and $\beta=0.069$ respectively). However, for P&L-experienced CMOs we observe a significant and negative interaction with CMO status in predicting firm-level marketing capabilities for those with responsibility for only Core marketing activities and a significant positive interaction for those with responsibility for the Expanded set of activities ($\beta=-0.166^*$ and $\beta=0.231^{**}$ respectively). Overall, these results support H_{4b} for CMOs whose primary experience is P&L but not for those with Revenue Experience.

While we did not develop hypotheses regarding the main effect of CMO position status on marketing capability and how this may vary depending on the primary experience of type of the CMO, the results in Table 10 are nonetheless interesting. They show an overall positive effect of CMO status, but also reveal that this effect is significant only for CMO's with Revenue or P&L backgrounds. Finally, Table 10 reveals that marketing capabilities has a strong significant effect on firm performance, although the strength of effect varies slightly depending on the CMO's experience type. Interestingly, the CMO experience analyses also reveal that the overall negative direct effect of CMO status on firm performance is entirely driven by firms within the sample who have Staff-experienced CMOs.

Robustness Checks

We performed several robustness checks to assess the validity, stability, and generalizability of the reported findings. First, to ensure that measurement error did not bias our results, we re-estimated the model specifications using structural equation modeling (SEM), which produced substantively identical findings. Next, we assessed the sensitivity of our findings

but failed to find any outlier and influential observations. Additionally, we re-estimated all model specifications with winsorized data at the 1st and 5th percentile, and the findings remained substantively identical. We also assembled “unbalanced” versions of the dataset, by including all 303 observations from the Wave 1 survey, resulting in a sample of 498 observations, 390 common across survey waves, and 108 “unmatched” observations from the Wave 1 survey. We used this “unbalanced” dataset to re-estimate the levels-in-levels model specifications summarized in Table 6 and Table 7 and found that the estimates were substantively identical to those reported using the balanced dataset.⁶

Finally, we also estimated alternative versions of the differences-in-differences model specification reported in Table 7. First, we estimated levels-in-levels model specifications that included lagged dependent variables as predictors (i.e., lagged Marketing Capabilities and lagged Firm Performance), and although the effect sizes were attenuated, the general findings reported in Table 7 were still replicated. Second, we estimated a levels-in-levels model specification using Wave 1 data for the predictors, and Wave 2 data for the dependent variables. The estimates broadly replicate those reported in Table 7.

Overall, the robustness checks indicate the stability, validity, and generalizability of the Table 6 and 8 findings. The lagged and temporally separated model estimates also provide additional evidence that the hypothesis testing findings are not driven by common method bias, while also alleviating concerns regarding direction of causality.

DISCUSSION AND IMPLICATIONS

The model developed and tested in this research provides new insights on the role of the CMO and highlights a number of important issues that are key to understanding when and how CMOs matter in determining firm-level outcomes. In addition, our model provides the first insight into the primary mechanism by which the design and staffing of CMO roles

⁶ By construction, the differences-in-differences estimates are identical to those reported in Table 6.

contributes to firm performance—through accomplishing marketing tasks in ways that contribute to delivering desired firm-level marketing outcomes, i.e., building and enhancing marketing capabilities. While the importance of such marketing capabilities in driving firm performance has been established in the extant literature, little is known about where such capabilities originate and how they are maintained. Our model suggests that the CMO role is an important antecedent of the development and maintenance of marketing capabilities.

Importantly, however, our model suggests that for the CMO role to make such a contribution to firm-level outcomes requires two key preconditions. First, having defined the set of marketing responsibilities the CMO will be managing—from Core Responsibilities to also encompassing a broader set of Expanded Responsibilities—the firm has to find an individual with the type of marketing experience that can fit the CMO position. Our fieldwork revealed that heterogeneity in CMO experience, generally greater than that of other TMT roles, is fundamental to activating the potential of the CMO role. Supporting this, we empirically find that there are experience types that fit the position-based responsibility sets: (1) Staff Experience fits the Core Responsibility positions, and (2) P&L Experience fits the Expanded Responsibility positions (core plus non-core). Essentially, when the position design matches the person's marketing experience, the interaction leads to better marketing capability outcomes—which in turn predict firm performance. However, when a mismatch occurs (e.g., a P&L-Experienced CMO in a Staff position), there is a non-trivial consequence—the CMO role either fails to have a positive impact on marketing capability or it actually has a negative impact on marketing capability.

To provide some insight into the prevalence of such mismatches, we computed terciles for the Core and Expanded Responsibilities measures, identified the primary Experience Type of the CMO holding the position, and calibrated whether these matched or did not match based on our hypothesis logic (i.e., Staff-Experienced CMOs fit with the top

Core Responsibility tercile and bottom Expanded Responsibility tercile while those with Revenue- and P&L-Experience backgrounds fit when they occupy positions in the bottom Core Responsibility tercile and top Expanded Responsibility tercile). The results indicated that around 40% of CMOs in our sample have primary experience backgrounds that are misaligned with their responsibilities, suggesting that person-position mismatch is a significant problem, and is likely contributing to both CEO and CMO dissatisfaction.

Second, however, even when the CMO's experience is well aligned with the role responsibilities, CMO role occupants also require enabling role conditions. In this respect, the need for appropriate CMO Status relative to peers is critical to ensure that they have the support to drive progress in using their experience to activate the CMO role. However, giving a high level of status to a role with a mismatch between the position and person can be dysfunctional and actually lower firm-level marketing capability and performance outcomes. As an example, placing primarily Staff-Experienced marketers in CMO roles with Expanded Responsibility and providing the role with greater Status can lower both firm marketing capability and financial performance outcomes. Similarly, appointing primarily P&L-Experienced marketers to CMO roles with responsibility over only Core marketing activities and affording greater CMO Status can lower the firm's marketing capability outcomes.

Implications for Theory and Practice

This research has important implications for theory and practice. First, in terms of emerging marketing upper echelons theory, our research suggests that investigating CMOs (in terms of explaining firm performance outcomes) requires a more nuanced exploration of the conditions under which they do and do not matter. In this research, we investigate the nature of the CMO role and find that matching the design (i.e., responsibility) of the role with the experience of the CMO is critical in achieving its potential. Generally, a CMO role that aligns the responsibility set with a person's marketing experience type has positive impact on firm-

level outcomes via the firm's marketing capability. But one that does not align responsibility with experience leads to no or even negative impact. As such, this research is the first to investigate *how* CMOs may matter and provides important new insights regarding how not just the presence of CMOs, but rather variance within the type of CMO presence impact firm outcomes. Consequently, this research opens the door to investigations that create theory regarding when and why marketers have more/less impact on firm outcomes.

Second, this research also contributes to role theory. Role theory is extremely broad, with more than 100 related concepts and constructs (e.g., Biddle 1979). However, given this breadth and the common but imprecise use of the term "role" in the domains in which it has been applied, there has been considerable confusion across definitions, application, and explanations. This research clarifies role theory in the context of strategic marketing research, where the term is often used but rarely defined, and is usually underdeveloped. Further, we develop the first depiction of a TMT member role. Importantly, we show that understanding such roles requires examining both position- and person-based characteristics. In the case of the CMO we also identify specific person- and position-based role characteristics and the relationships and mechanism linking the CMO role with firm-level performance outcomes. In so doing, this research both clarifies role theory and extends it to provide a new framework that may be usefully applied to other TMT roles or even to roles in other domains.

Third, this study also has several important implications for CEOs, ERs, and CMOs. First, for CEOs, understanding the ways in which CMO roles vary sheds light on key questions they are struggling to resolve. In our fieldwork, only 24% of CMOs felt that they had the "right" set of responsibilities required to fully leverage marketing. Further, managerial research suggests that 80% of CEOs are disappointed with their CMOs (Fournaise 2012). Combined with evidence that the CMO has the highest C-level turnover, this suggests that the most common CEO solution to their "disappointment" with CMO-role outcomes is to

replace the person. The fact that CMO tenure continues to remain lower than other C-level positions suggests that this solution is ineffective. Our research indicates that CEOs should first focus on the design of the CMO position, and then find the individual with the Experience Type to effectively fill the role. While this sounds intuitive, the scale of experience type-responsibility set mismatches we observe suggests that it is not obvious to many CEOs.

Second, our research suggests that ERs need to help CEOs understand how to design as well as staff the CMO role for the firm. In general, we find that CMO roles with Expanded Responsibilities are more likely to enhance firm-level marketing capability outcomes. Yet, many CMO roles have only Core Responsibilities attached to them. Although CMO role design is the CEO's responsibility, ERs specializing in C-level marketing placements need to be able to: (1) articulate the key aspects of role design, explicate the role configuration options and explain their pros and cons; (2) ask the right questions of the CEO to elicit needed information regarding optimal role position design and influence (and "push back" when necessary) the CEO's decisions; and (3) assess the degree of fit between the CMO position and CMO candidates. Given the obvious difficulties that CEOs have in designing CMO roles, this is an important failing.

Third, for CMOs our research suggests that given the number and consequences of Experience Type-Role Responsibility mismatches we identify, prospective CMO candidates should themselves push to understand the responsibilities assigned to the position and question how well these fit their own primary experience. If the role is not well-defined or the fit with their own experience is not obvious, then CMOs should seek to proactively propose and negotiate role responsibilities that may fit with their experience. Interestingly, of the 24% of CMOs in our fieldwork who believed that their scope of responsibility was "optimal," almost all said that they had negotiated these responsibilities with their boss before accepting

a job offer. This suggests that the CMO can—and should—help design their own role.

Limitations and Opportunities for Future Research

As with all research of this type, there are a number of limitations that should be taken into account when considering our results. First, the interpretation of responsibility areas (e.g., CRM, brand strategy) and experience type (e.g., P&L, Staff) may be different across respondents. However, the risk to our results and their interpretation is limited because: (1) these emerged from the interviews, (2) we did extensive pre-testing to ensure a common understanding, and (3) while it may create noise, it would not explain our results. Second, despite our tests and research design efforts, there remains the possibility of sample selection bias in our survey results. However, the composition of the firms and the CMOs in our results is diverse across key attributes (e.g., firm type, firm size, firm industry, etc.), providing a degree of confidence in the sample.

Notwithstanding the limitations, this research provides important new insights into the role of the CMO and its consequences and provides a number of new directions for theoretically interesting and managerially relevant future research. Here we focus on three areas that may be particularly promising. First, what determines the appropriateness of the responsibilities that should be assigned to the CMO role? Intuitively, expanded CMO roles may be a better match for some types of firms, industries, and/or environments. However, we have no empirical insight into which contingencies are most important and how they match with different levels of CMO responsibilities. In the absence of such insight, what leads many CEOs to assign only a narrower set of Core responsibilities? Is it a function of a (too) narrow range of CEO cognitive schemas regarding what marketing is and what marketers do?

Second, what leads to the frequent mismatches we find between CMO role responsibilities and CMO role occupant primary experience type? Intuitively, this is a problem that ERs are paid to avoid; so why are ERs failing to help both CEOs and CMOs

better align roles? Is it because ERs do not fully understand how to develop roles that are aligned? Or because they are incapable of educating CEOs/hiring firms? Alternatively, is it a result of CEOs simply not listening? Insights into what leads to such person-job mismatches are obviously important in finding a solution to this common and important problem.

Third, having demonstrated a relationship between CMO Experience Type-Role Responsibilities fit and firm-level marketing capabilities, what are the mechanisms by which this relationship “works”. For example, does experience-responsibility fit increase CMO effort and engagement? Does it increase CMO tenure, which provides time for individual CMO efforts to become embedded at the firm level?

CONCLUSION

Many CEOs find managing the CMO role a challenging task. To provide new insight regarding how and with what consequences CMO roles vary, we employ a multi-method approach to develop and test a model of key CMO position- and person-based characteristics to help explain firm-level outcomes. Using two-wave survey data we show that variance in CMO role design and staffing predicts firm performance outcomes. We find that the primary mechanism by which CMO role variance matters is through its effect on accomplishing marketing tasks in ways that contribute to delivering desired firm-level marketing outcomes, i.e., building and enhancing firm-level marketing capabilities. This research expands on prior research investigating whether the presence or absence of CMOs matters to identify reasons why some CMOs are more effective than others.

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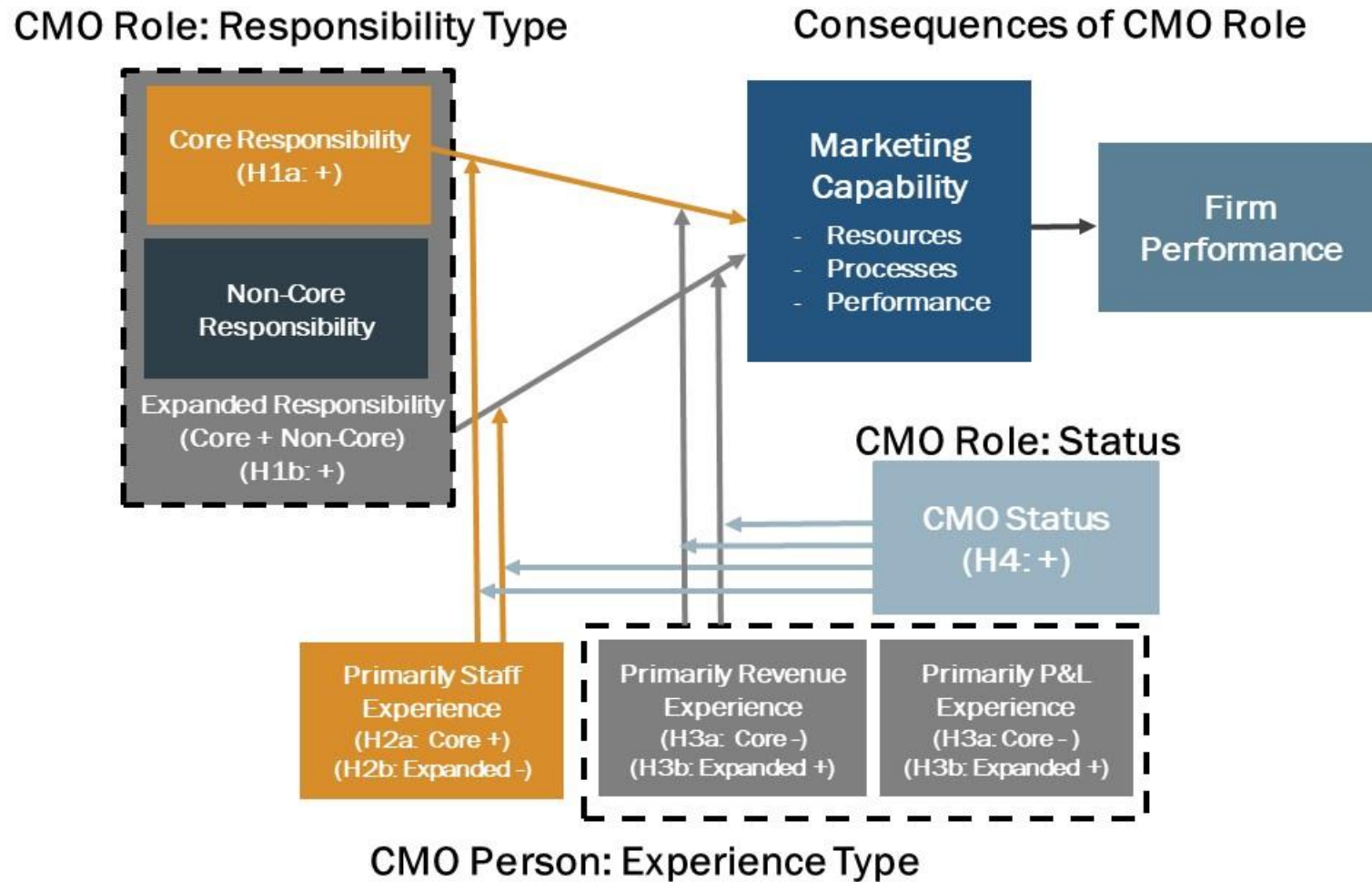
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FIGURE 1
CMO ROLE CHARACTERISTICS AND CONSEQUENCES



Note: This is a configurational fit model where the orange (gray) experience type fits with the orange (gray) responsibility type. Higher levels of CMO status amplify the fit (misfit).

TABLE 1
INTERVIEW AND CMO JOB SPECIFICATIONS DESCRIPTIVE STATISTICS

<u>Individuals Interviewed:</u>	<u>Number</u>	<u>Job Specs with the Following Details Listed:</u>	<u>Percent</u>
CMOs	50	<i>Resources</i>	47%
Executive Recruiters	25	Employees (#)	20%
Subject-Matter Experts	35	Direct Reports (#)	33%
Company Size (Executive Recruiters Interviewed)	Percent	Amount of Budget (\$)	4%
Boutique (%)	36%	<i>Responsibilities</i>	100%
Medium (%)	36%	<i>Years of Experience Required</i>	66%
Large (%)	28%	Title of the Head of Marketing	Percent
Company Size (CMOs Interviewed)	Percent	CMO	48%
Large \$10B+	37%	EVP Marketing	2%
Medium \$1B–\$10B	40%	SVP Marketing	22%
Small \$100M–\$1B	20%	VP Marketing	23%
Start-up < \$100M	3%	Other	5%
CMO Interviewee Characteristics	Median	Title Descriptors	Percent
Median # Months in Position	25	Marketing + Other (e.g., SVP Marketing + Sales)	7%
Reporting Levels Between CMO and CEO	Percent	Marketing Only (e.g., SVP Marketing or CMO)	74%
Direct to CEO	47%	No Marketing in Title (e.g., Chief Growth Officer)	18%
1 Level	35%	To Whom the Head of Marketing Reports	Percent
2 or More	18%	CEO	47%
Firm Ownership Type	Percent	COO	8%
Public	45%	President	8%
Private	55%	EVP	11%
		Other	18%
		Information Not Disclosed	9%
		Other Role Attributes	Mean (Median)
		Responsibilities Stated in Job Spec (#)	9 (9)
		Experiences Required for Job (#)	7 (7)
		Years of Experience Required (#)	13 (15)

TABLE 2a INTERVIEW RESULTS: AREAS OF CMO ROLE VARIANCE			
MOST COMMON CHARACTERISTICS*	CMO	Non-CMO	Total
Responsibility	17%	19%	18%
Importance/Centrality/Status	22%	12%	15%
Person's Experience/Ability	10%	14%	13%
Structure/Organization Design	11%	11%	11%
Expectations	7%	9%	8%
Customer Centricity (Market Orientation)	6%	7%	7%
Resources	8%	5%	6%
Managerial Discretion	10%	3%	5%
Other	9%	20%	17%

* Percentage of CMO and non-CMO responses for each role variance characteristic. The question was open-ended and respondents could provide more than one answer.

TABLE 2b INTERVIEW RESULTS: VARIANCE IN RESPONSIBILITY	
ACTIVITY AREA	Average Responsibility
Brand Strategy	5.8
Marketing Communication / Media	6.3
Marketing Implementation	6.1
Marketing Planning	6.0
Pricing	2.9
Product Development	3.2
Public Relations	5.5
Research and Analysis	5.3
Sales Management	2.4
Sales Support	4.8
CRM / Loyalty	4.8
Corporate Communications	4.4
Corporate Strategy	4.0
Customer Experience Management	4.4
Call Center Management	2.6
New Business Development	4.0
Investor Relations	2.0
E-commerce	5.3
Channel Management	4.2
Trade Marketing	4.4
Crisis Management	6.5
Government Relations	2.9
Admissions Management	7.0
Production (e.g., Video)	7.0
Category Management	4.5

Note: Bolded numbers represent activities that exist at and are relevant for at least 50% of firms.

TABLE 2c
CMO JOB SPECS: TASKS ASSOCIATED WITH CMO POSITION

JOB SPECS MENTIONING ACTIVITY AS PART OF THE CMO POSITION	(%)
Marketing Strategy	94%
Marketing Implementation	93%
Brand Strategy	83%
Market Analysis/Measurement	83%
Marketing Communication/Media	78%
Marketing Research	72%
Digital Marketing	56%
E-commerce	51%
Public Relations	48%
CRM/Loyalty	48%
Sales	44%
Product Management	40%
Retail/Omnichannel	26%
Customer Service/Call Center	23%
Pricing	13%
Corporate Strategy	10%
New Business Development	9%
Distribution	6%

TABLE 3		
CMO SURVEY: DESCRIPTIVE STATISTICS		
CMOS AND THEIR FIRMS		STATISTIC
CMO Tenure (Years)		
Mean		4.5
Median		2.5
Mode		1.0
CMO Distance to CEO (Levels)		
Reports Directly to CEO	(%)	58%
1 level between CMO and CEO	(%)	34%
2+ levels between CMO and CEO	(%)	8%
Firm Size (Sales)		
Mean		\$3.4B
<\$500M	(%)	70%
\$500M-\$1B	(%)	9%
\$1B-\$10B	(%)	14%
\$10B+	(%)	7%
Firm Revenue Source (Channel)		
Primarily B2B	(%)	43%
Primarily B2C	(%)	35%
Comparable	(%)	21%
Firm Revenue Source (Product)		
Product	(%)	37%
Service	(%)	44%
Both	(%)	18%

TABLE 4
CONSTRUCT & INDICATOR UNIVARIATE STATISTICS

CONSTRUCTS/VARIABLES	WAVE 1 (N = 195)					WAVE 2 (N = 195)				
	Mean	St. Dev.	Min	Median	Max	Mean	St. Dev.	Min	Median	Max
Core Responsibilities	49.755	7.696	23.574	52.290	56.753	50.465	6.329	25.217	52.946	56.678
Marketing Strategy	6.670	0.728	3.000	7.000	7.000	6.708	0.585	3.000	7.000	7.000
Marketing Implementation	6.678	0.752	2.000	7.000	7.000	6.779	0.495	5.000	7.000	7.000
Marketing Communications	6.730	0.742	2.000	7.000	7.000	6.667	0.866	1.000	7.000	7.000
Marketing Research	6.019	1.297	1.000	6.000	7.000	6.092	1.317	1.000	7.000	7.000
Brand Strategy	6.435	1.032	1.000	7.000	7.000	6.554	0.813	3.000	7.000	7.000
Expanded Responsibilities	49.271	12.176	21.279	49.799	75.910	51.384	12.028	21.893	51.580	75.790
CRM/Loyalty	5.349	1.839	1.000	6.000	7.000	5.528	1.786	1.000	6.000	7.000
Pricing	3.770	2.001	1.000	4.000	7.000	4.005	2.022	1.000	4.000	7.000
Research & Development	4.054	1.919	1.000	4.000	7.000	4.262	1.902	1.000	4.000	7.000
Distribution	3.954	2.081	1.000	4.000	7.000	4.359	1.901	1.000	5.000	7.000
Selling & Sales	3.522	2.019	1.000	3.000	7.000	3.831	1.926	1.000	4.000	7.000
Corporate Strategy	4.738	1.596	1.000	5.000	7.000	4.851	1.524	1.000	5.000	7.000
New Business Development	4.343	1.804	1.000	4.500	7.000	4.559	1.753	1.000	5.000	7.000
Marketing Capabilities	50.128	9.795	7.943	50.562	71.704	49.758	9.812	15.158	49.416	70.910
Strategic Planning	0.903	1.538	-3.000	1.000	3.000	0.738	1.509	-3.000	1.000	3.000
Product Development	0.503	1.571	-3.000	1.000	3.000	0.390	1.625	-3.000	0.000	3.000
Channel Management	0.305	1.430	-3.000	0.000	3.000	0.282	1.380	-3.000	0.000	3.000
Marketing Communications	1.232	1.383	-3.000	1.000	3.000	1.241	1.417	-3.000	1.000	3.000
Selling & Sales	0.565	1.417	-3.000	1.000	3.000	0.626	1.467	-3.000	1.000	3.000
Market Research	0.600	1.499	-3.000	1.000	3.000	0.610	1.479	-3.000	1.000	3.000
Marketing Strategy	1.424	1.303	-3.000	2.000	3.000	1.477	1.261	-3.000	2.000	3.000
Pricing	0.378	1.330	-3.000	0.000	3.000	0.277	1.409	-3.000	0.000	3.000
Marketing Implementation	1.381	1.333	-3.000	2.000	3.000	1.256	1.307	-3.000	1.000	3.000
Firm Performance	50.441	13.849	5.272	51.505	75.507	49.162	15.576	5.901	51.112	75.487
Market Share	0.886	1.310	-3.000	1.000	3.000	0.800	1.498	-3.000	1.000	3.000
Sales	0.819	1.358	-3.000	1.000	3.000	0.687	1.516	-3.000	1.000	3.000
Profitability	0.970	1.434	-3.000	1.000	3.000	0.836	1.584	-3.000	1.000	3.000
CMO Status	50.359	15.730	17.831	49.837	86.350	51.637	13.668	17.831	51.091	85.350
Relative to CFO	-0.699	1.584	-3.000	-1.000	3.000	-0.249	1.528	-3.000	0.000	3.000
Relative to COO	-0.304	1.572	-3.000	0.000	3.000	-0.027	1.401	-3.000	0.000	3.000
Relative to CIO	0.254	1.578	-3.000	0.000	3.000	0.620	1.474	-3.000	0.000	3.000

TABLE 5
CONSTRUCT CORRELATIONS (COMBINED WAVES N = 390)

CONSTRUCTS	1	2	3	4	5
<i>1 Core Responsibilities</i>	<i>1.000</i>				
<i>2 Expanded Responsibilities [Core+Non-Core]</i>	<i>0.771</i>	<i>1.000</i>			
<i>3 Marketing Capabilities</i>	<i>0.319</i>	<i>0.378</i>	<i>1.000</i>		
<i>4 Firm Performance</i>	<i>0.161</i>	<i>0.198</i>	<i>0.673</i>	<i>1.000</i>	
<i>5 CMO Status</i>	<i>0.224</i>	<i>0.374</i>	<i>0.279</i>	<i>0.099</i>	<i>1.000</i>

Note: All correlations significant at $p < 0.05$.

TABLE 6
INDICATOR CORRELATIONS (COMBINED WAVES N = 390)

CORRELATIONS		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27
1	Marketing Strategy	1.00																										
2	Marketing Implement.	.42	1.00																									
3	Marketing Comms.	.39	.47	1.00																								
4	Marketing Research	.36	.21	.24	1.00																							
5	Brand Strategy	.51	.38	.50	.31	1.00																						
6	CRM/Loyalty	.20	.26	.22	.37	.17	1.00																					
7	Pricing	.27	.14	.03	.30	.15	.33	1.00																				
8	Research & Develop.	.23	.13	.09	.32	.23	.34	.60	1.00																			
9	Distribution	.14	.13	.05	.14	.10	.25	.39	.42	1.00																		
10	Selling & Sales	.13	.09	.06	.16	.07	.24	.42	.36	.50	1.00																	
11	Corporate Strategy	.32	.14	.11	.27	.34	.24	.42	.44	.35	.40	1.00																
12	New Business Develop.	.17	.12	.08	.21	.12	.26	.39	.44	.40	.57	.43	1.00															
13	Strategic Planning	.17	.02	.01	.07	.10	.08	.14	.14	.20	.15	.27	.20	1.00														
14	Product Development	.09	.03	.07	.11	.07	.14	.16	.23	.21	.09	.20	.15	.52	1.00													
15	Channel Management	.13	.05	.02	.10	.08	.16	.12	.17	.28	.13	.13	.11	.44	.46	1.00												
16	Marketing Comm.	.15	.11	.15	.05	.17	.04	-.08	.02	.08	-.01	.08	.05	.44	.35	.39	1.00											
17	Selling & Sales	.13	.10	.04	.03	.05	.07	.07	.07	.14	.19	.11	.12	.35	.28	.47	.38	1.00										
18	Market Research	.11	.01	.02	.28	.07	.13	.10	.16	.17	.15	.18	.15	.44	.32	.36	.41	.33	1.00									
19	Marketing Strategy	.23	.15	.10	.14	.17	.10	.08	.12	.16	.09	.21	.14	.53	.34	.33	.57	.35	.55	1.00								
20	Pricing	.16	.12	.07	.17	.00	.15	.26	.22	.22	.20	.21	.14	.37	.38	.35	.27	.43	.35	.39	1.00							
21	Marketing Implement.	.21	.20	.12	.09	.14	.09	.00	.03	.12	.04	.11	.08	.40	.29	.33	.61	.39	.40	.63	.34	1.00						
22	Market Share	.14	.10	.03	.06	.11	.10	.03	.08	.08	.04	.13	.11	.37	.34	.35	.41	.39	.26	.37	.30	.38	1.00					
23	Sales	.13	.06	.01	.07	.05	.10	.06	.10	.06	.05	.14	.10	.36	.34	.35	.35	.50	.25	.35	.37	.36	.82	1.00				
24	Profitability	.11	.07	-.01	.08	.07	.15	.09	.17	.11	.13	.15	.14	.38	.32	.34	.28	.42	.26	.28	.35	.32	.57	.63	1.00			
25	Relative to CFO	.11	.07	.06	.12	.12	.14	.30	.23	.23	.22	.32	.27	.28	.17	.18	.11	.12	.16	.21	.19	.10	.10	.07	.06	1.00		
26	Relative to COO	.10	.08	.09	.19	.17	.19	.32	.25	.21	.20	.26	.25	.25	.24	.19	.16	.09	.22	.23	.19	.13	.10	.05	.08	.64	1.00	
27	Relative to CIO	.12	.08	.06	.20	.11	.16	.21	.22	.08	.12	.20	.18	.10	.07	.04	.11	.03	.14	.19	.15	.08	.04	.01	.02	.48	.57	1.00

Note: Correlations larger than 0.099 (in absolute value) are significant at $p < 0.05$; Correlations larger than 0.130 (in absolute value) are significant at $p < 0.01$.

TABLE 7
RECURSIVE MIXED PROCESS SYSTEM OF EQUATIONS

MODEL SPECIFICATION	<i>LEVELS-IN-LEVELS</i> <i>(N=390)</i>		<i>DIFFERENCES-IN-DIFFERENCES</i> <i>(N=195)</i>	
STANDARDIZED ESTIMATES	<i>Marketing Capabilities</i>	<i>Marketing Capabilities</i>	<i>Marketing Capabilities</i>	<i>Marketing Capabilities</i>
<i>Core Responsibilities</i>	0.110	0.119	0.116	0.002
<i>Expanded Responsibilities [Core+Non-Core]</i>	0.224***	0.225***	0.165*	0.278**
<i>CMO Status</i>	0.185***	0.183***	0.328***	0.287**
<i>Core Responsibilities × CMO Status</i>		0.013		-0.197
<i>Expanded Responsibilities × CMO Status</i>		0.046		0.151
<i>Firm Size</i>	-0.053	-0.051	0.023	0.025
<i>Industry Controls</i>	Included	Included	Not Included	Not Included
STANDARDIZED ESTIMATES	<i>Firm Performance</i>	<i>Firm Performance</i>	<i>Firm Performance</i>	<i>Firm Performance</i>
<i>Marketing Capabilities</i>	0.698***	0.711***	0.729***	0.650***
<i>Core Responsibilities</i>	-0.048	-0.043	0.101	0.221
<i>Expanded Responsibilities [Core+Non-Core]</i>	0.008	-0.010	-0.033	-0.041
<i>CMO Status</i>	-0.088**	-0.090**	-0.086	-0.112

TABLE 8
RECURSIVE MIXED PROCESS SYSTEM OF EQUATIONS BY EXPERIENCE TYPE – LEVELS-IN-LEVELS (N = 390)

STANDARDIZED ESTIMATES	<i>Marketing Capabilities</i>	<i>Staff</i>	<i>Revenue</i>	<i>P&L</i>
<i>Core Responsibilities</i>	0.119	0.278***	0.157	0.077
<i>Expanded Responsibilities [Core+Non-Core]</i>	0.225***	0.161	0.270*	0.296**
<i>CMO Status</i>	0.183***	0.127	0.173*	0.210*
<i>Core Responsibilities × CMO Status</i>	0.013	0.306***	0.025	-0.166*
<i>Expanded Responsibilities × CMO Status</i>	0.046	-0.223**	0.069	0.231**
<i>Firm Size</i>	-0.051	0.004	-0.084*	-0.088
<i>Industry Controls</i>	Included	Included	Included	Included
STANDARDIZED ESTIMATES	<i>Firm Performance</i>	<i>Staff</i>	<i>Revenue</i>	<i>P&L</i>
<i>Marketing Capabilities</i>	0.711***	0.814***	0.717***	0.571***
<i>Core Responsibilities</i>	-0.043	-0.048	-0.149	-0.070
<i>Expanded Responsibilities [Core+Non-Core]</i>	-0.010	-0.099	-0.068	0.087
<i>CMO Status</i>	-0.090**	-0.152**	-0.038	-0.063