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THE RISING CCO VI

CHIEF COMMUNICATIONS OFFICERS:
ROLES & PERSPECTIVES

How we did it

153 corporate communications professionals surveyed globally

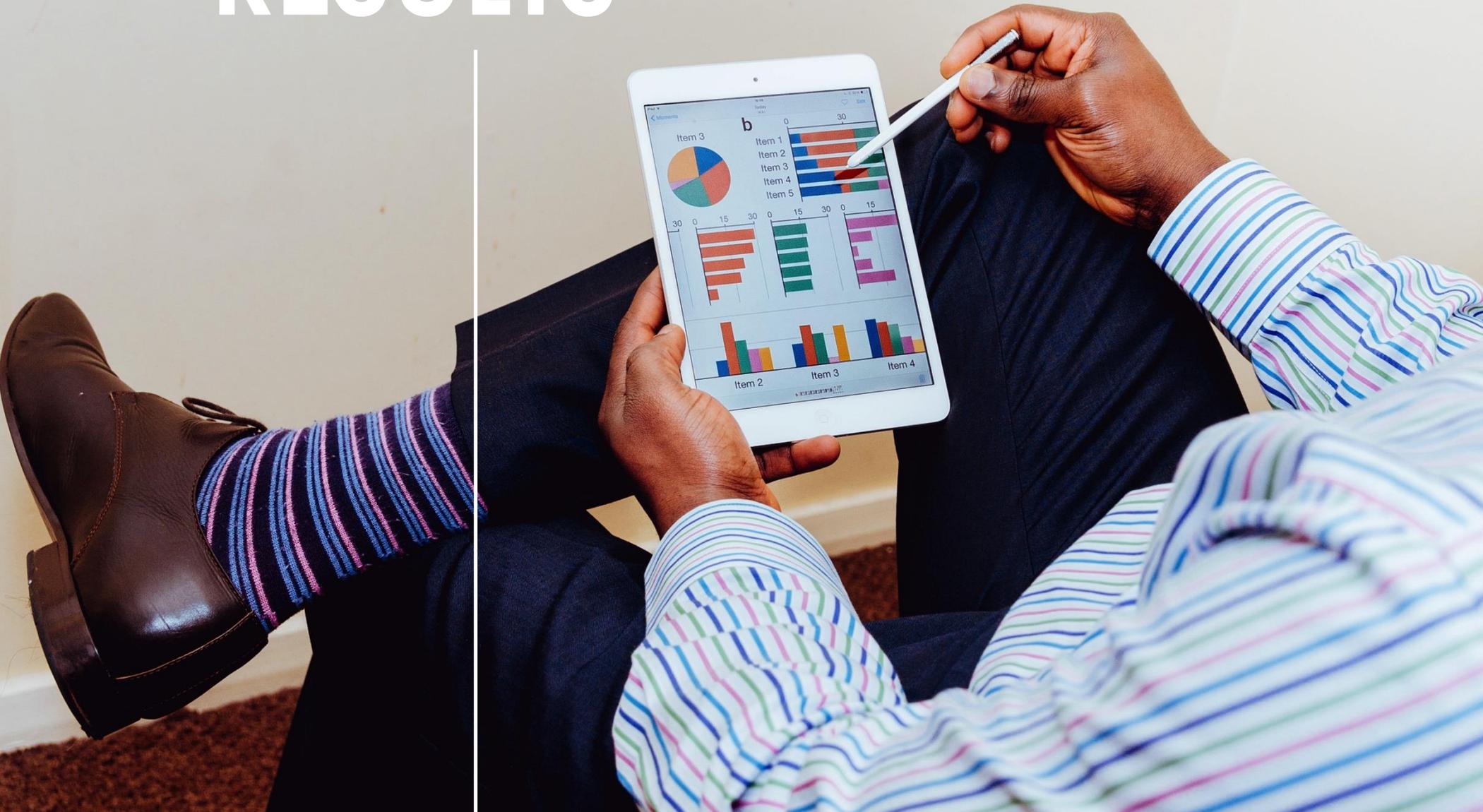


Companies in our sample are headquartered in **19 countries** around the world.

Interviewing conducted online **April 26 – July 8, 2016.**

The following presentation reports Global, North American and EMEA results only due to the small sample sizes for APAC and LatAm. However, APAC and LatAm results are included in the Global findings.

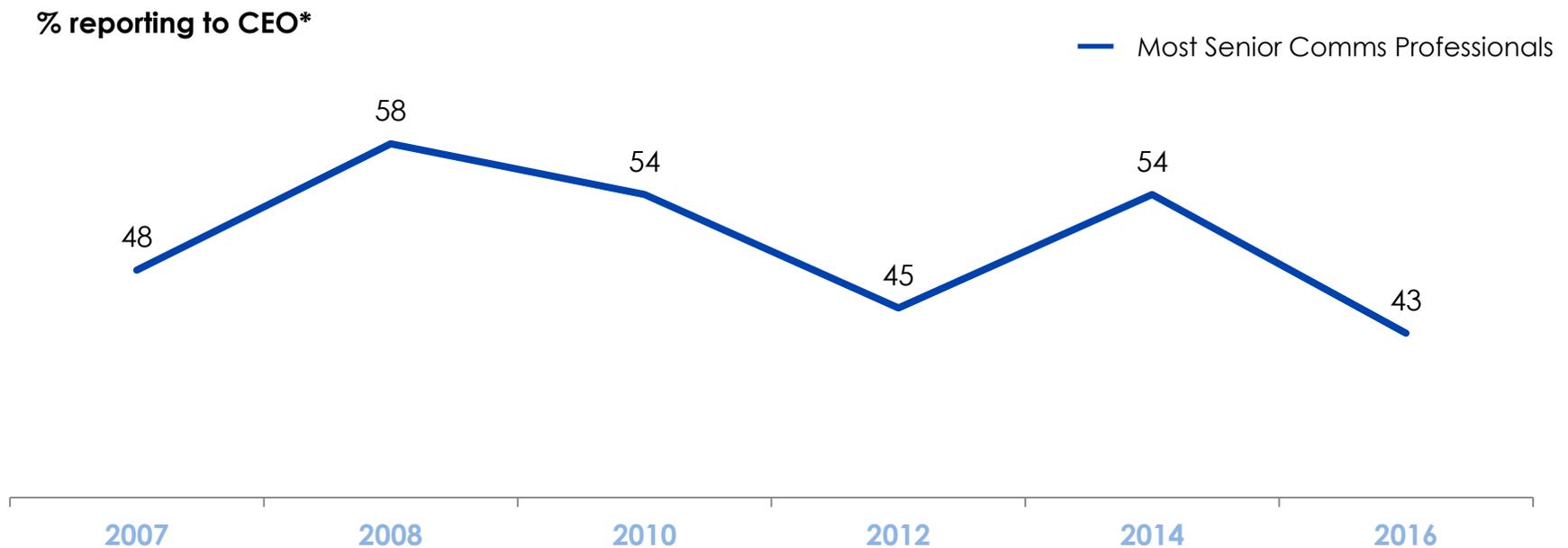
RESULTS



More than four in 10 CCOs report directly to the CEO

Most senior communications professional reports to...	Region		
	Global CCOs	North America	EMEA
	%	%	%
CEO	43	42	48
President	21	6	39
Chief Marketing Officer	6	6	6
Chief Legal Officer	6	11	-
Chief Financial Officer	6	11	-
Chief Communications Officer/Head of Corporate Affairs/ Head of Public Relations	5	4	4
Chief Operating Officer	5	6	4
Chief Marketing & Communications Officer	2	1	2
Chief Human Resources Officer	2	3	2
Business Unit Head	2	-	4
Other	14	15	11

The rate of CCOs reporting directly to the CEO has fluctuated since 2007; is down from 2014



**In previous years, we reported on % of most senior communications professionals who report to the CEO, chair, or vice chair. In 2016, we did not ask about chair or vice chair, so removed these titles from results from past years.*

The average tenure for most CCOs is **six years**

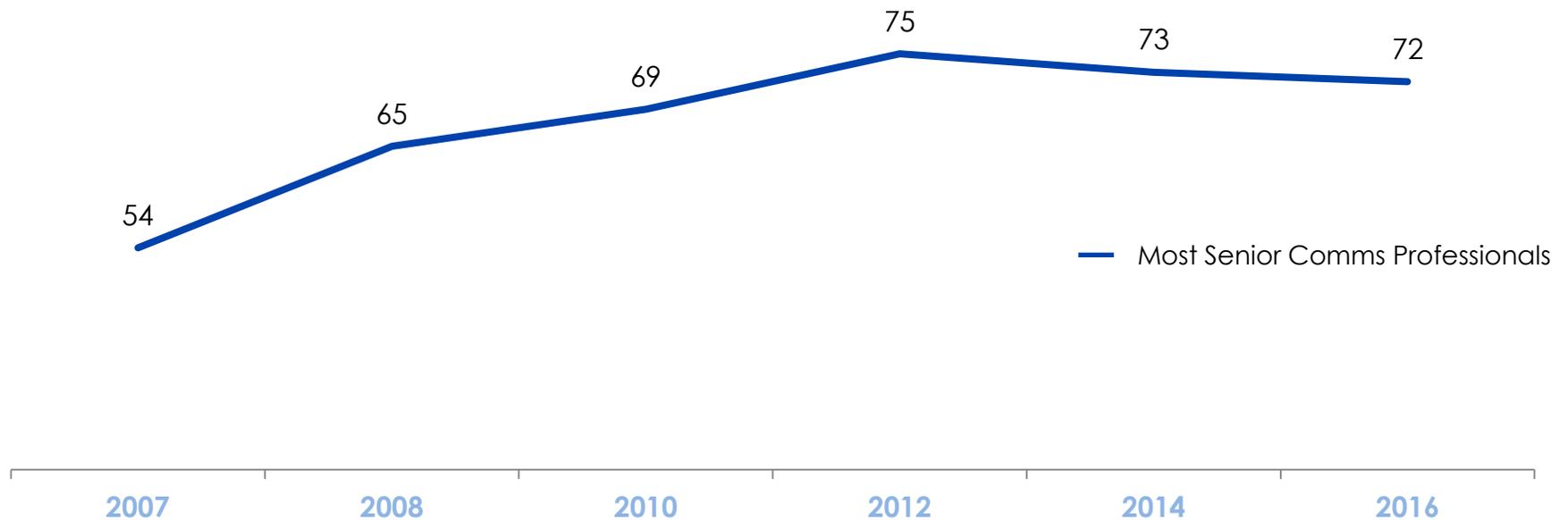
EMEA tenure is **about one year longer** than North American tenure.

Tenure among most senior communications professionals	Region		
	Global CCOs	North America	EMEA
Average time in current position	72 months (6 years)	66 months (5 years 6 months)	77 months (6 years 5 months)

"The average tenure for chief marketing officers of leading U.S. consumer brand companies dropped from 48 months [4 years] in 2014 to 44 months [3 years, 8 months] in 2015, representing the first decline in average tenure in 10 years." [The CMO Today](#), Spencer Stuart

The average tenure for most CCOs is **nearly the same as it was in 2014**

Tenure (in months*)



CCO responsibilities are highly diverse

Primary responsibility (multiple responses permitted)	Region		
	Global CCOs	North America	EMEA
	%	%	%
Media relations	97	97(#1)	97(#1)
Crisis management or reputation management	93	96(#2)	90(#2)
Employee communications	78	90(#3)	70
Social media or digital communications	74	75	77(#3)
Corporate social responsibility (CSR) / Corporate responsibility	57	61	56
Foundation or charitable giving	45	52	46
Marketing, branding or advertising	41	42	48
Government relations or public affairs	38	32	46
Marketing research and measurement	16	12	21
Data analytics	14	12	16
Investor relations	10	14	7
Customer experience	7	4	11

Not surprisingly, nearly every CCO has media relations and/or crisis/reputation management responsibility.

Most North American CCOs are also responsible for internal communications.

More than three-quarters of EMEA CCOs handle social media/digital communications.

Compared to the average CCO, those with responsibility for marketing are

more likely to work in **EMEA**, at **B2B companies** and at companies with **communications budgets of \$100 million or more**

	Global CCOs	CCOs with primary responsibility for marketing, branding or advertising
Region		
North America	50%	51%
EMEA	40%	46%
Customer Type		
B2B	30%	40%
B2C	30%	16%
B2G	4%	8%
Tenure	78 months	79 months
Total Comms Budget		
\$1 - \$4.9 million	36%	35%
\$5 - \$9.9 million	14%	11%
\$10 - \$19.9 million	12%	13%
\$20 - 29.9 million	4%	6%
\$30 - \$49.9 million	6%	6%
\$50 - \$99.9 million	5%	6%
\$100 million or more	7%	13%

CCOs expect a growing focus on many different functions over the course of the next 18 months, mostly digital communications and reputation management

North American CCOs identify **employee advocacy/engagement** as their **top growth area**.

Branding/corporate identity is among EMEA CCOs' **top three growth areas**.

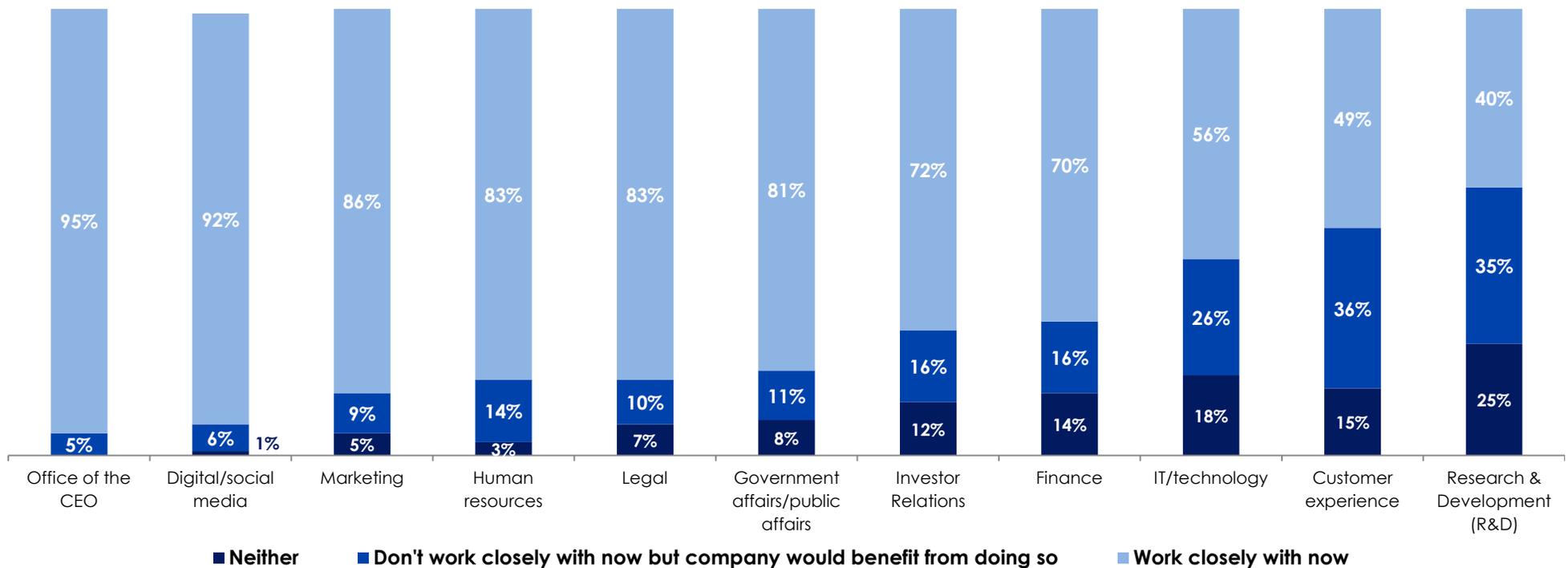
Function expected to increase focus on in next 12-18 months	Region		
	Global CCOs	North America	EMEA
	%	%	%
Digital communications	72	68(#2)	78(#1)
Reputation management	65	61(#3)	67(#2)
Employee advocacy/engagement	59	70(#1)	45
Branding or corporate identity	49	51	52(#3)
Corporate social responsibility (CSR) / Corporate responsibility	46	51	42
External visibility for company leaders	44	52	33
Website or intranet development	43	48	37
Integrating or merging communications/public relations and marketing	31	32	32
Government relations or public affairs	28	26	32
Data analytics/"Big Data"	27	25	32
Marketing research and measurement	10	8	12

CCOs work closely with many different departments but see potential benefits to their organizations by working with additional groups

Nearly all CCOs are currently closely working with the CEO and digital/social media department. Other close relationships include marketing, HR, legal and government/public affairs.

More than one-quarter of CCOs believe their companies would benefit by establishing closer relationships with IT/tech, customer experience and R&D.

Relationships with other departments
(among global CCOs)



North American CCOs generally seem to have a wider network of working relationships than EMEA CCOs do

By very wide margins, North American CCOs are more likely to count HR, legal, government affairs, IR, finance, and IT/tech as close partners.

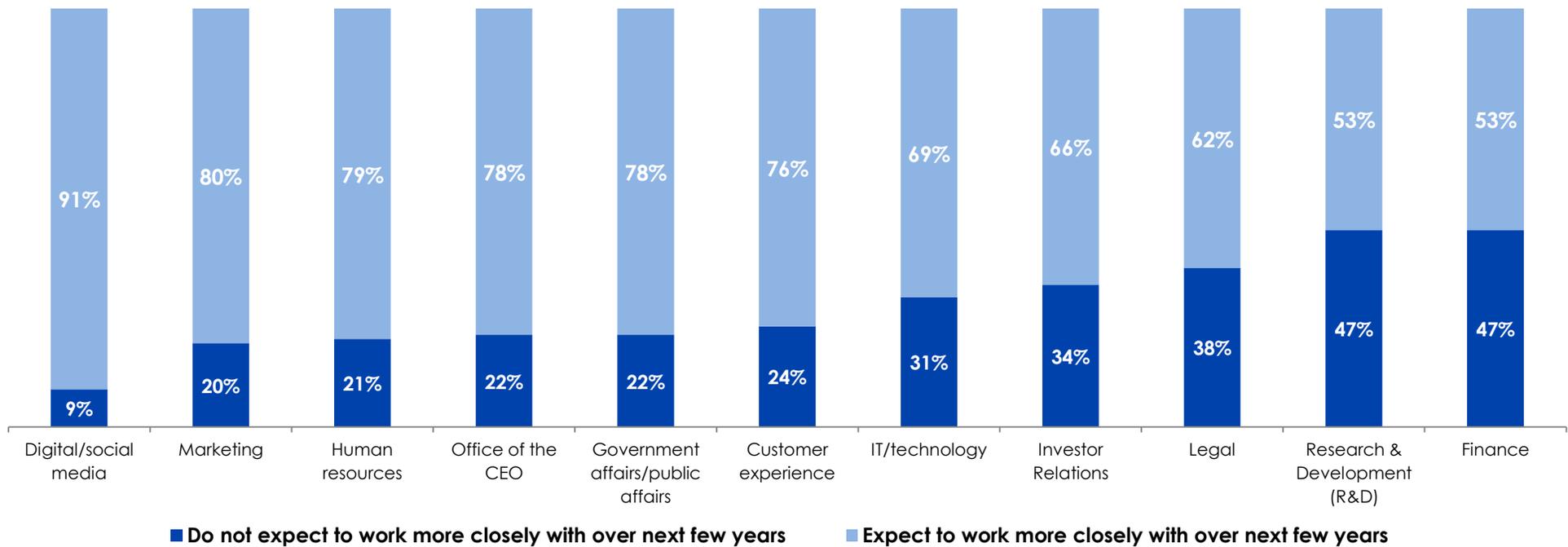
EMEA CCOs are more likely to identify R&D as a department theirs works closely with.

More than one-third of both North American and EMEA CCOs don't work closely with customer experience, but think they would benefit from doing so.

Department currently works closely with now	Department works closely with now			Don't work closely with, but would benefit from doing so		
	Global CCOs	North America	EMEA	Global CCOs	North America	EMEA
	%	%	%	%	%	%
Office of the CEO	95	97 (#1)	91 (#2)	5	3	9
Digital/social media	92	94 (#3)	95 (#1)	6	3	5
Marketing	86	84	88 (#3)	9	11	9
Human resources	83	93 ←	75	14	4	23
Legal	83	96 (#2) ←	71	10	3	15
Government affairs/public affairs	81	88 ←	74	11	6	17
Investor relations	72	91 ←	44	16	4	32
Finance	70	82 ←	55	16	5	26
IT/technology	56	64 ←	51	26	21	30
Customer experience	49	46	52	36	35	37
Research & Development	40	33 →	54	35	27	38

CCOs expect their relationships with many different departments to **grow over the next few years**, particularly social media/digital

Future of relationships with other departments
(among global CCOs)



North American and EMEA CCOs alike see digital/social media as their closest working partner in the future

By very wide margins, North American CCOs are more likely to expect the CEO, government affairs, IR, legal, and finance as close future partners.

EMEA CCOs are more likely to identify the customer experience and R&D teams as close future partners.

Department CCO expects to work more closely with over the next few years	Region		
	Global CCOs	North America	EMEA
	%	%	%
Digital /social media	91	91(#1)	90(#1)
Marketing	80	82(#2)	77(#3)
Human resources	79	81(#3)	77(#3)
Office of the CEO	78	82(#2) ←	70
Government affairs/Public affairs	78	81(#3) ←	71
Customer experience	76	70 →	83(#2)
IT/Technology	69	72	65
Investor relations	66	76 ←	46
Legal	62	70 ←	47
Research & Development	53	43 →	62
Finance	53	58 ←	44

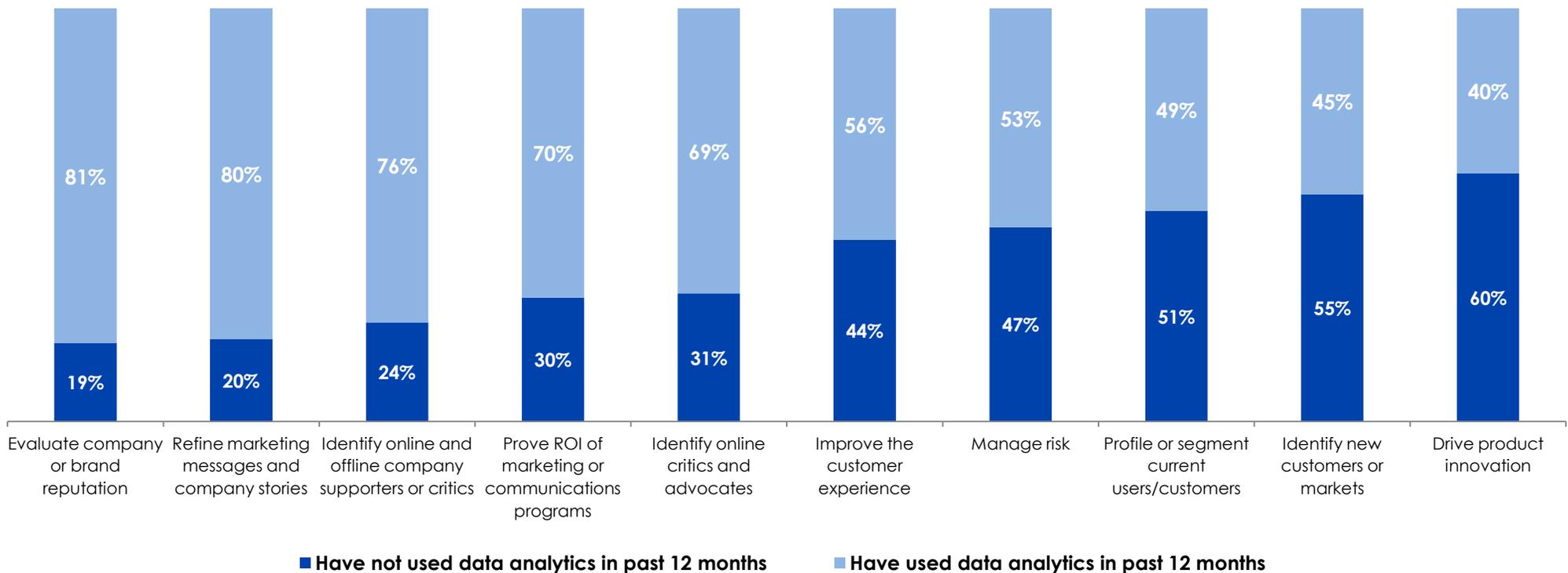
Positions CCO expects department will be hiring within next 12-18 months	% total responses
Digital manager/Digital communications/Digital marketer	11
Social media specialist	8
PR specialist/media relations manager	7
Communications head/manager/strategist	7
Employee engagement/internal communications head /manager/specialist	6
Content creator/editor/developer/strategist	5
Government relations/affairs manager, public affairs manager	5
Data analyst	5
CSR/Sustainability	4
Graphic designer	3
Regional communications	2

Was an open-ended question in which we asked respondents to name 5 positions they expect to hire in the next 12-18 months. We grouped answers by theme. Table shows positions cited in at least 5 CCO responses.

Consistent with their future partnership expectations, CCOs plan to hire more digital and social media professionals in the near future

CCOs use data analytics for a host of activities, mostly to evaluate company reputation and refine marketing messages

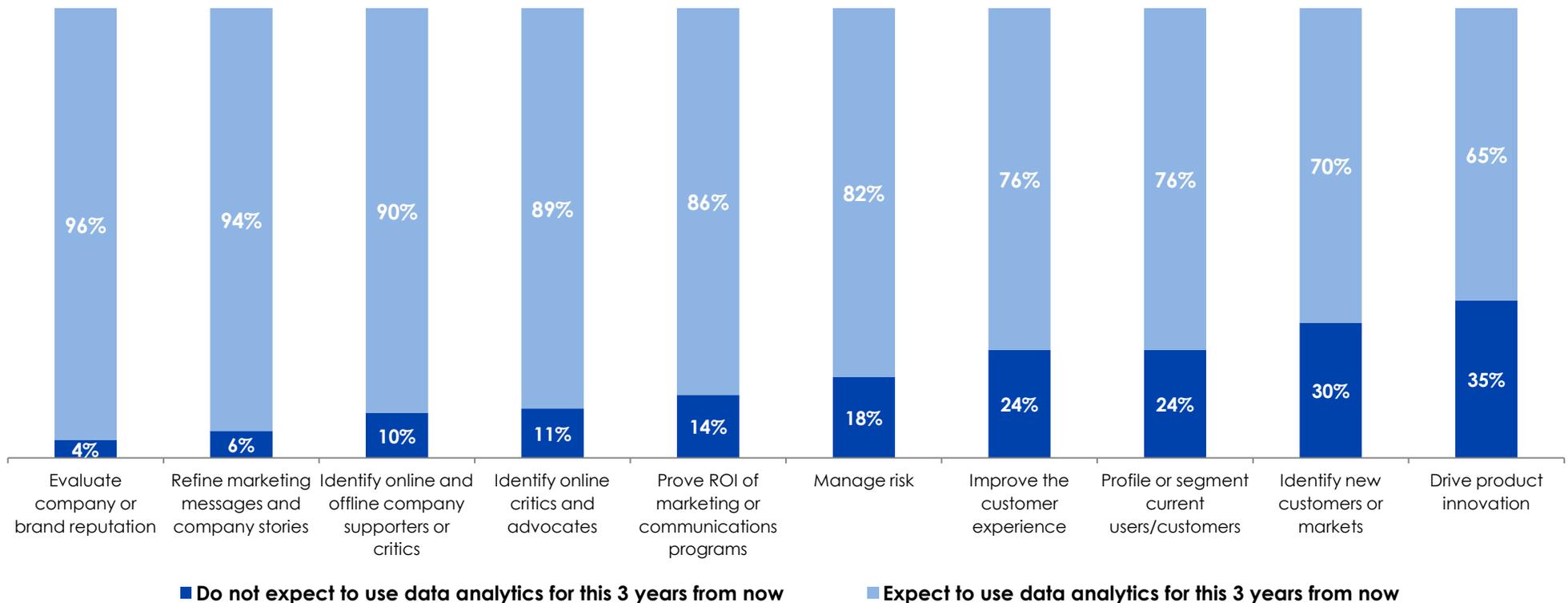
Use of data analytics
(among global CCOs)



CCOs expect an explosion in the use of data analytics over the next few years

Nearly all CCOs believe that their reliance on data analytics for reputation evaluation and message refinement will grow. Nine in 10 also see application for identifying company advocates and critics.

Use of data analytics 3 years from now
(among global CCOs)



North American and EMEA CCOs use data analytics for similar activities and expect generally the same future applications

North American CCOs are more likely than EMEA CCOs to use data analytics for risk management.

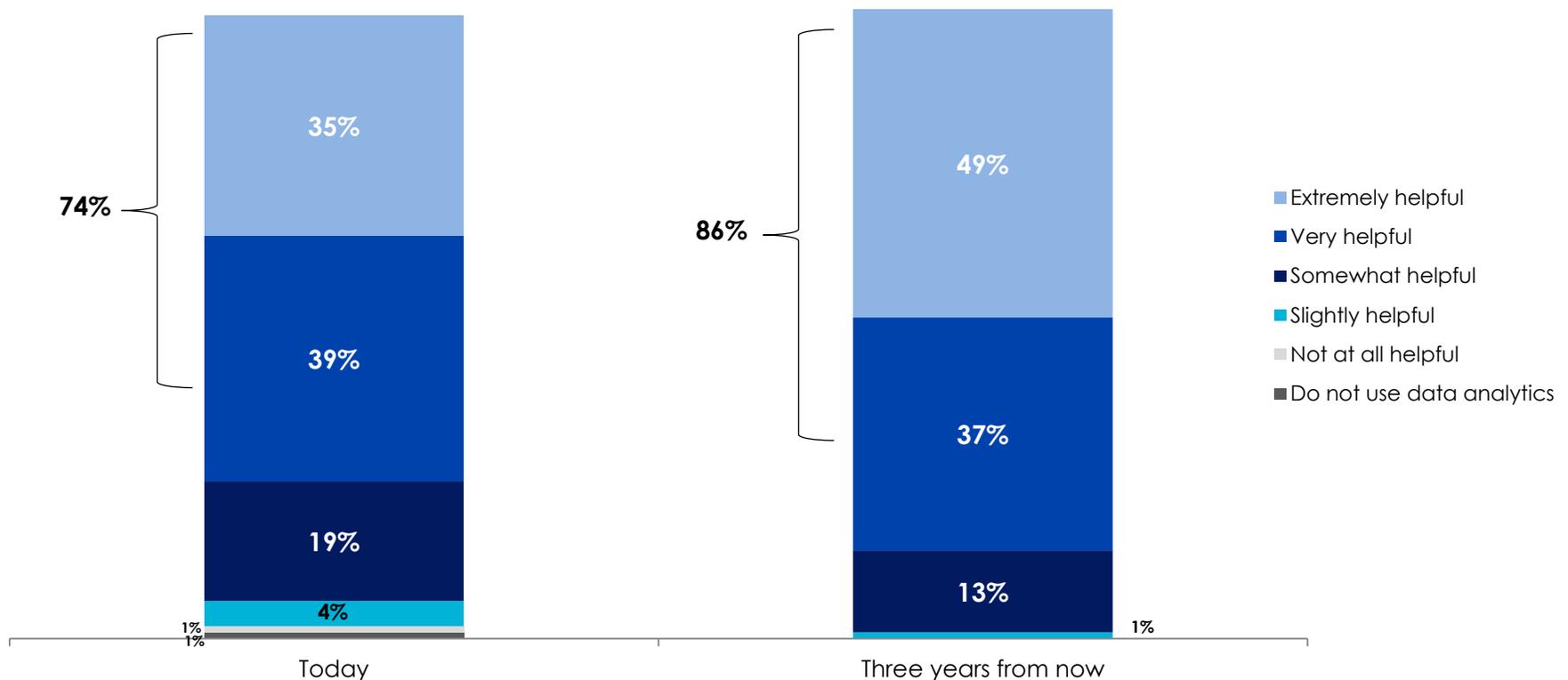
EMEA CCOs are more likely than North American CCOs to use data analytics for identifying new customer or market opportunities. They also are more likely to expect to be using data analytics in their future customer-focused activities.

Activity department has used data analytics for in the past 12 months	Region		
	Global CCOs	NA	EMEA
	%	%	%
Evaluate company or brand reputation	81	82 (#2)	82 (#2)
Refine marketing messages and company stories	80	85 (#1)	77 (#3)
Identify online and offline company supporters or critics	76	73 (#3)	84 (#1)
Provide ROI of marketing or communications programs	70	72	69
Identify online critics and advocates	69	72	68
Improve the customer experience	56	56	58
Manage risk	55	64 ←	44
Profile or segment current users/customers	49	51	56
Identify new customers or markets	45	40 →	51
Drive product innovation	40	38	43

Activity CCO expects department to use data analytics three years from now	Region		
	Global CCOs	NA	EMEA
	%	%	%
Evaluate company or brand reputation	96	97 (#1)	95 (#1)
Refine marketing messages and company stories	94	95 (#2)	95 (#1)
Identify online and offline company supporters or critics	90	90 (#3)	92 (#2)
Identify online critics and advocates	89	88	91 (#2)
Provide ROI of marketing or communications programs	86	90 (#3)	84
Manage risk	82	79	84
Improve the customer experience	76	68 →	91 (#3)
Profile or segment current users/customers	76	72 →	86
Identify new customers or markets	70	63 →	86
Drive product innovation	65	64	72

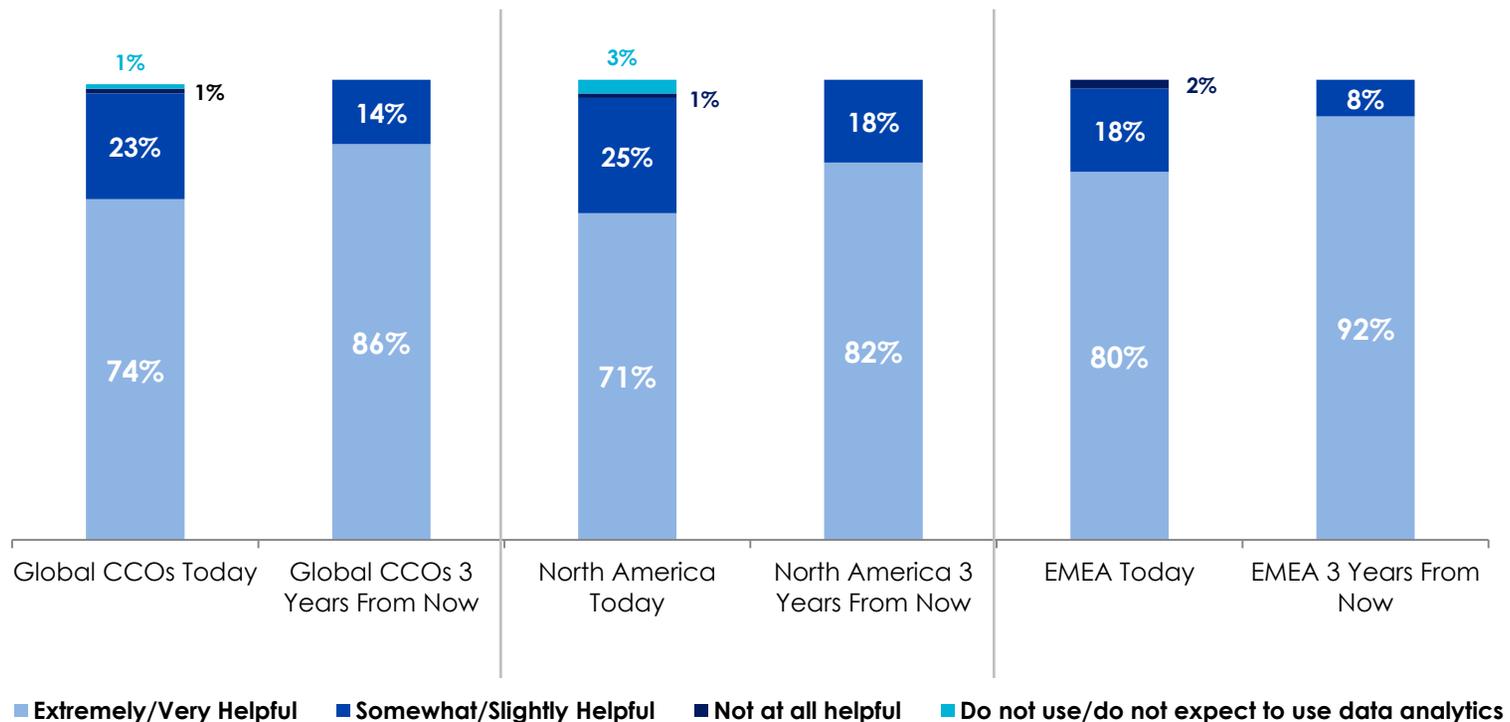
Approximately three-quarters of CCOs report their companies find data analytics useful today for stakeholder insights, and **nearly nine in ten believe the utility will only grow**

Helpfulness of data analytics in giving company ability to gain better insights into target audiences' needs, preferences and behaviors
(among global CCOs)



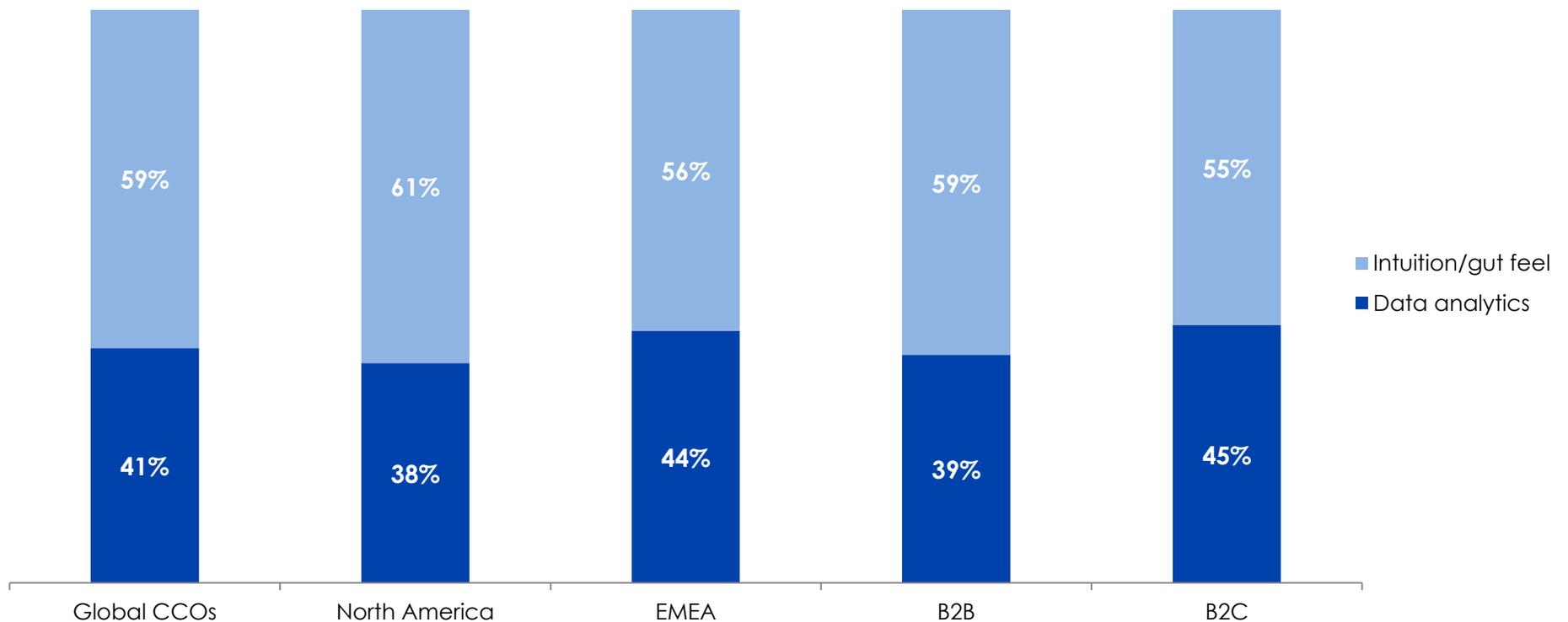
CCOs in both North America and EMEA expect the helpfulness of data analytics to grow

Helpfulness of data analytics in giving company ability to gain better insights into target audiences' needs, preferences and behaviors



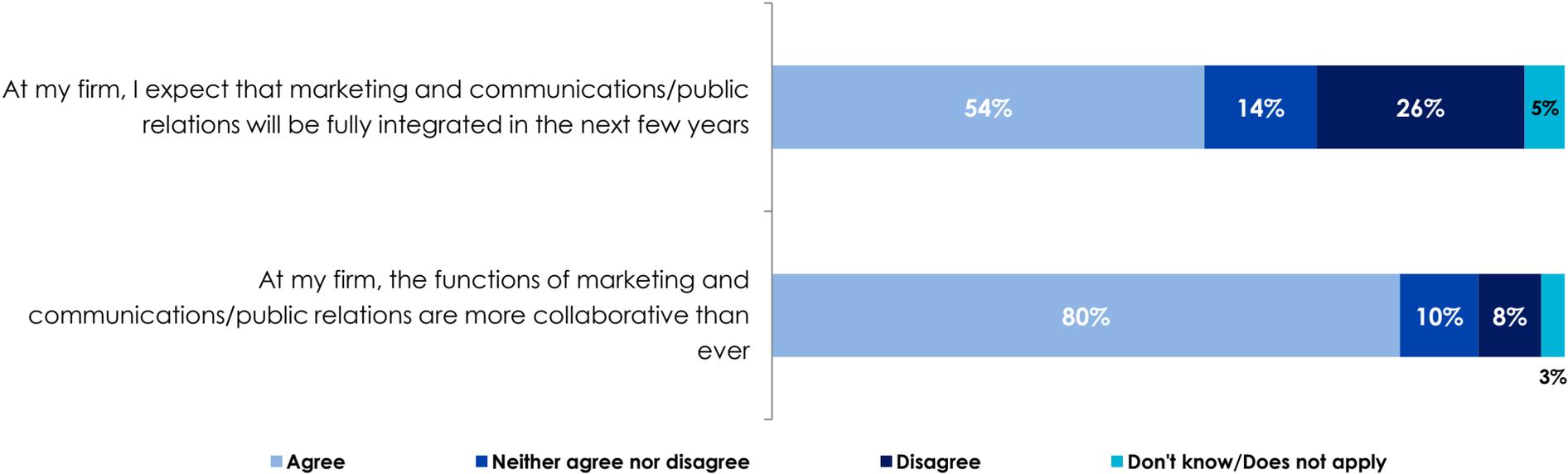
CCOs rely more on their intuition for making business decisions than they do on data analytics

% CCO's decisions made in job today based on data analytics vs. intuition



Note: Some columns do not add to 100%; some respondents provided percentages that did not total to 100%.

More than half of CCOs expect that marketing and communications at their firms will be fully integrated in the next few years. **Eight in 10** report extensive collaboration today



Note: Numbers do not total 100% due to rounding.

Marketing and communications integration is more likely to happen in EMEA than in North America

Marketing and communications in North America and EMEA are similarly collaborative.

	Global CCOs	North America	EMEA
At my firm, the functions of marketing and communications/public relations are more collaborative than ever			
	%	%	%
Agree	80	79	82
Disagree	8	8	10
Neither agree nor disagree	10	9	7
Don't know/Does not apply	3	4	2
At my firm, I expect that marketing and communications/public relations will be fully integrated in the next few years			
	%	%	%
Agree	54	49	63
Disagree	26	29	25
Neither agree nor disagree	14	16	7
Don't know/Does not apply	5	6	5

B2B**B2C**

At my firm, the functions of marketing and communications/
public relations are more collaborative than ever

%

%

Agree

80

87

Disagree

7

4

Neither agree nor disagree

11

9

Don't know/Does not apply

2

-

At my firm, I expect that marketing and communications/public relations
will be fully integrated in the next few years

%

%

Agree

59

44

Disagree

19

38

Neither agree nor disagree

15

16

Don't know/Does not apply

7

2

Marketing and communications are more collaborative at B2C firms, but integration is more likely to happen in the next few years at B2B companies

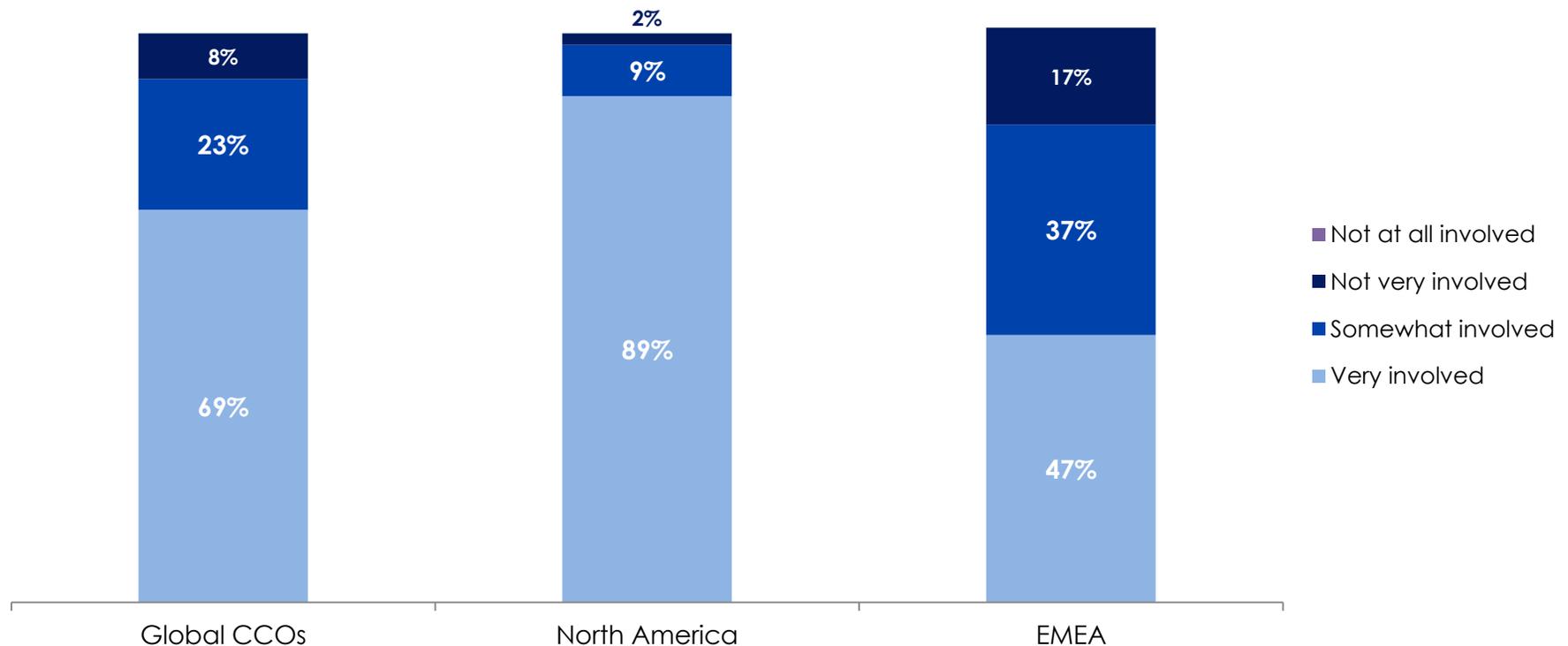
Approximately **half of CCOs** in our study report that their companies have been impacted by shareholder activism

North American companies are only slightly more likely than EMEA companies to be susceptible to shareholder activism.

Company has been impacted by shareholder activism directly or indirectly	Region		
	Global CCOs	North America	EMEA
	%	%	%
Yes	53	58	50
No	47	42	50

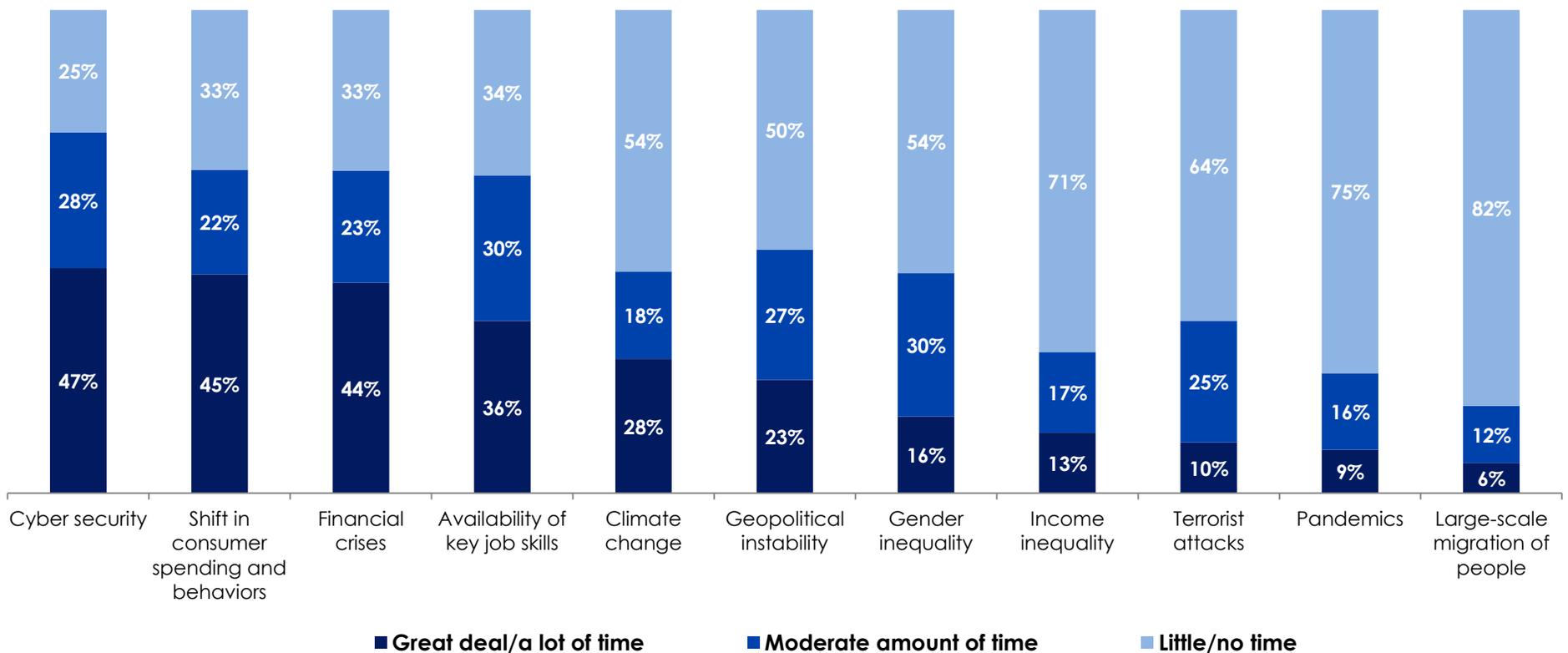
Communications departments are typically involved in shareholder activism events, particularly in North America

Department's involvement in addressing shareholder activism
(among those whose company has been impacted by shareholder activism)



More than four in 10 CCOs report that they spend at least a lot of time on these global issues: **cyber security, shifting consumer habits and financial crises**

Time spent preparing for or dealing with global issues/risks



EMEA CCOs spend time on **more global issues/risks** than North American CCOs do

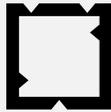
Time spent on preparing for or dealing with global issues/risks (% a great deal or a lot of time)	Region		
	Global CCOs	North America	EMEA
	%	%	%
Cyber security	47	59 (#1)	42 (#3)
Shift in consumer spending and behaviors	45	33 →	58 (#1)
Financial crises	44	43 (#2)	50 (#2)
Availability of key job skills	36	38 (#3)	33
Climate change	28	21 →	40
Geopolitical instability	23	15 →	36
Gender inequality	16	10 →	26
Income inequality	13	8 →	21
Terrorist attacks	10	14	9
Pandemics	9	8	12
Large-scale migration of people	6	1	14

If you could ask CCOs at other companies one question, **what would it be?**

Top 5 question topics	Examples of questions asked by CCOs
Measurement	<ul style="list-style-type: none"> • How do we create better measurements to prove the value of the work we do? • What dashboards are most useful with data? • How do you generate and deliver valuable intelligence to your organization?
Challenges/Concerns	<ul style="list-style-type: none"> • What is your vision and key concern at your company? • What keeps you up at night? • Biggest emerging challenge?
Integration or relationships with other departments	<ul style="list-style-type: none"> • How much time do you spend with supervisory board members and how important is their engagement in comparison to executive board members (e.g., Chairman vs CEO)? • How have you integrated PR, Marketing and social media to market to your customers? • How do you manage to integrate and align data, digital, marketing, and communications?
Budget/Resources	<ul style="list-style-type: none"> • Which area in the communications department will increase in budget for the next 3 years? • What does your annual strategic planning/budget process entail? • How much do you invest (time & resources) in long-term plans?
Structure	<ul style="list-style-type: none"> • Do you have direct responsibility and reporting lines for all communications functions everywhere in the globe? • How are you structuring your organization for the future?

We asked this as an open-ended question and categorized responses by topic. The topics listed in the table above appeared in at least five respondent answers.

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