

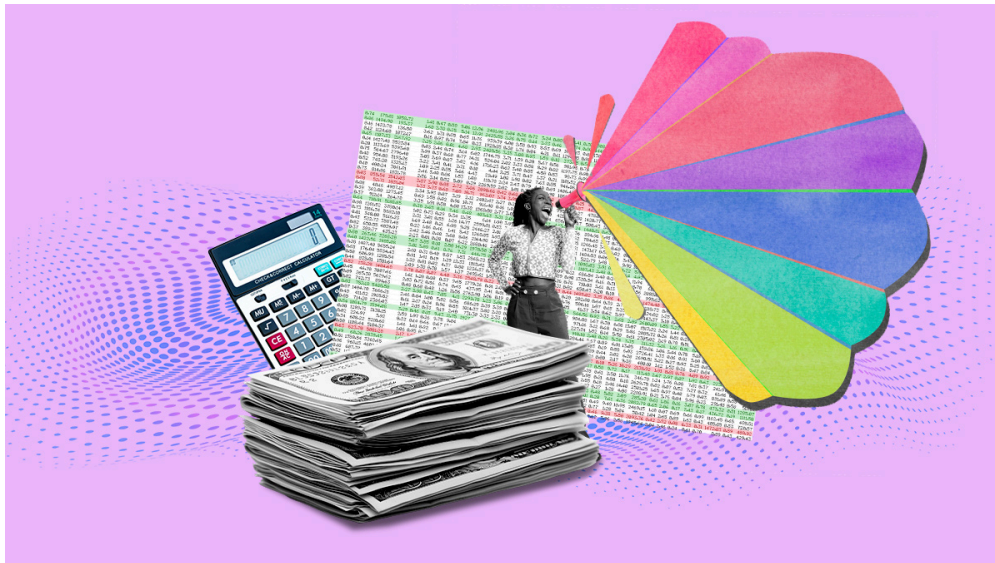
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Exclusive: CMOs Must Improve Financial Literacy to Win Over CFOs

Insights from a survey of financial leaders at Nike, Walgreens, Chiquita, Sierra Nevada and more

By [Paul Hiebert](#) | 1 day ago



Only 46% of CFOs said their company's top marketer has a solid grasp of finance.

Credit: ADWEEK; Getty Images, Adobe Stock

Last year, Mastercard chief marketing and communications officer Raja Rajamannar invited the company's chief financial officer, Sachin Mehra, to co-lead a session with him at the Cannes Lions International Festival of Creativity. It was the [first time](https://www.adweek.com/brand-marketing/a-cfo-went-to-cannes/) <https://www.adweek.com/brand-marketing/a-cfo-went-to-cannes/> a CFO spoke on stage in the event's 70-year history.

Rajamannar compared Mehra's appearance at the festival to a priest in Las Vegas.

Although Rajamannar was half joking, his analogy highlights the tension between marketing and finance. In a general sense, the former focuses on creative risks and the top line. The latter,

meanwhile, is concerned about risk management and the bottom line. It's common for the two viewpoints to clash.

CFOs and CMOs, however, don't have to be adversaries. An exclusive survey reveals ways to ease the friction.

In May, **B2B** <https://www.adweek.com/category/b2b/>) market research firm **NewtonX** <https://www.newtonx.com/>) interviewed 80 chief financial officers and financial leaders at U.S. companies with at least 500 employees, including Nike, Walgreens, Chiquita and Sierra Nevada.

First, the positive. Results show three in four CFOs either strongly or somewhat approve of their CMO's overall job performance. A majority of financial leaders agreed their company's top marketer understands how their organization makes money (86%) and that they're using the marketing budget wisely (72%).

And despite stereotypes, CFOs aren't fixated on using marketing dollars to generate more revenue each quarter at all costs. Indeed, the data shows more embrace the long view over the short one.

"Contrary to what you might expect, CFOs are leaning more toward long-term brand building instead of focusing solely on immediate performance metrics," said Patiwat Panurach, vp of strategic insights and analytics at NewtonX. "They're realizing sustainable growth comes from building a strong, lasting brand connection with their audience."

Attitudes become less buoyant in other areas.

Only 46% of CFOs, for example, said their CMO has a solid grasp of finance. One survey respondent, who works in the construction industry, mentioned their top marketer's limited understanding of finance as a reason for giving them less power to shape their organization's overall strategy.

Jill Kramer <https://www.adweek.com/brand-marketing/adweek-b2b-innovation-awards/>), chief marketing and communications officer at the global professional services company Accenture, noted that marketers possess a strong sense of curiosity. Yet while they tend to have a steady stream of questions for the product and sales teams, they hesitate to show the same eagerness to learn from the finance team.

"It can be intimidating," said Kramer, who has held senior leadership positions at creative agencies DDB and BBDO. "It's almost like a different language."

Refusing to get familiar with financial concepts and jargon, however, can be a mistake that keeps CMOs at arm's length from CFOs. During her first year as Accenture's head of marketing, Kramer said she kept a notebook filled with financial terms—a resource she returned to time and time again.

One way to help remedy this problem is through a better personal connection.

"You should spend time together, you should marinate in each other's businesses," said Marc Brownstein, CEO of marketing and communications agency Brownstein Group, who added this can

be as unstructured as getting drinks and hanging out more. "What's more important in business than relationships?"

Then again, fostering a relationship can be tough if one person doesn't stick around for long, and CMOs have a reputation for not staying in place <https://www.adweek.com/brand-marketing/cmo-tenure-largest-us-advertisers/>). The average CMO tenure at Fortune 500 companies in 2023, for example, was 4.2 years, or around 50 months, according to search and advisory firm Spencer Stuart. The average CFO tenure is a bit longer: 4.5 years, or about 54 months.

Both, however, fall below the average for all C-suite members at Fortune 500 companies, which is 4.6 years.

Another opportunity for CMOs to get more aligned with CFOs comes down to building a better case for marketing's return on investment. A mere 44% of financial leaders believe their top marketer can quantify the ROI of their ad spend.

"You could argue 25 years ago marketing didn't need a lot of quantitative skills," said Panurach. "Today, it's a totally different ballgame."

The task of proving ROI has long plagued <https://www.adweek.com/brand-marketing/cmcs-cant-defend-what-they-cant-define/>) marketers. Parsing human behavior to a point where it can fit on a spreadsheet is difficult.

"It's way easier to connect the dots on operations and production—you have very unambiguous, predictable metrics," said Jim Meier, a former finance executive at Molson Coors and active member of The Marketing Accountability Standards Board (MASB), an organization dedicated to establishing guidelines for measuring how marketing drives growth. "Marketing is naturally a little bit less certain."

Meier, who retired from Molson Coors in 2018 and was not included in NewtonX's survey, stressed that doesn't mean marketers should throw up their hands in defeat. Marketing mix modeling and other approaches of assessing ROI, though not perfect, can point in the right direction.

Doing nothing, on the other hand, means the gap between CFOs and CMOs will only persist.

"My accountability is not any softer than any other member of the C-suite," said Accenture's Kramer. "If we let marketing be a soft metric, we give up the right to have as much of a business-informed point of view at the leadership table as anyone else."

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