The Marketing Team Structures Report 2017

How to build high-performance marketing teams

pure360 | tfm technology for marketing | idm the institute of direct and digital marketing

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Will there ever be the perfect blueprint for marketing teams?

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Building an effective marketing team is one of the most pressing challenges businesses face today.

Not so long ago, it was possible that a senior marketer could have a fairly comprehensive overview of the various marketing channels on offer. Since then, the media landscape has fragmented in a thousand different directions. Customer data is spread across multiple devices and requires real-time, personalised responses.

Is it possible for any one person - or any one team - to be experts in all channels, all forms of content, its programmatic distribution, the analytics and technology, not to mention overall marketing strategy?

Unlikely. None of the areas of modern marketing are simple or easy-to-learn disciplines. The concept of 'marketing' itself has snowballed to encompass everything from technology spend to, well, pretty much everything a business does. So what is the ideal team structure?

In this report, based on the experiences of 290 marketing practitioners, we are seeing the marketing department move towards specialisms in order to develop expertise in new digital skills.

The transition is not easy. This is putting pressure on budgets, with tough decisions being made about how much can realistically be covered in-house, when to outsource to agencies, and how to work better with other departments.

We hope this report provides some insight into how to build a more effective team.

Introduction from Pure360

Komal Helyer
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Marketing teams have changed dramatically in recent years, and this evolution is predicted to continue at a significant rate. In business, change is inevitable and necessary, but historically slow and costly. The astonishing rate at which technology is changing the way we interact with customers is now putting pressure on businesses to evolve at a much faster rate than ever before.

It is evident that the two key catalysts in recent years that have necessitated the transformation of the traditional marketing department are both intrinsically linked to technology.

The first is the meteoric rise of the internet; there is no doubt that it has revolutionised the way we do business. As websites evolved to become major profit centres, and the main source of leads for businesses, the part that marketers played in the management of content and user experience grew.

These changes also meant that CMOs needed a strong grasp over all things tech - digital was becoming a fundamental part of any marketing strategy. In turn, marketers started to claw back control from the IT team.

The second catalyst is The Age of the Customer. The demand for personal, contextual interaction with brands, on whichever device or channel the customer wants to use, means that generic, one-size-fits-all marketing is simply unacceptable.

In the quest to make customer experience relevant across every touchpoint, the respective area of marketing has become a speciality. Marketers can no longer be a jack-of-all-trades; they need to be the master of one.

This in itself can be problematic. As the needs of the customer and the business changes, and new roles are added to the marketing team to support the transition, silos can unwittingly be created. Putting the customer first means creating, and maintaining, a seamless experience across all channels. A fully integrated team is the only way to achieve this, and we can see from the report that more companies are making the move to merge their on- and off-line teams.

Now, in modern businesses, the CMO is the one responsible for facilitating growth and sales, and marketing forms the largest part of the strategy to deliver this. The old perceptions are changing as the tangible impact that marketing has on results is proven across businesses worldwide.

The key focus of the modern marketing team is revenue generation. They must know the customer inside and out, and be able to react quickly to changing circumstances. This has led to one of the biggest transformations to today's marketing teams - the inclusion of data management, analysis and storytelling. Having access to big data is essential - that's a given.

The challenge for marketers lies with determining what to do with it all. Successful organisations are investing in people who can not only analyse and dissect the data, but who can also present it in forms that their marketers can swiftly act upon. The report corroborates this by showing that these disciplines represent high levels of growth in importance for larger organisations.

I hope you enjoy reading the report and find the results as thought-provoking as I did. Please get in touch with any feedback that you wish to share - I would be really interested to hear your views.
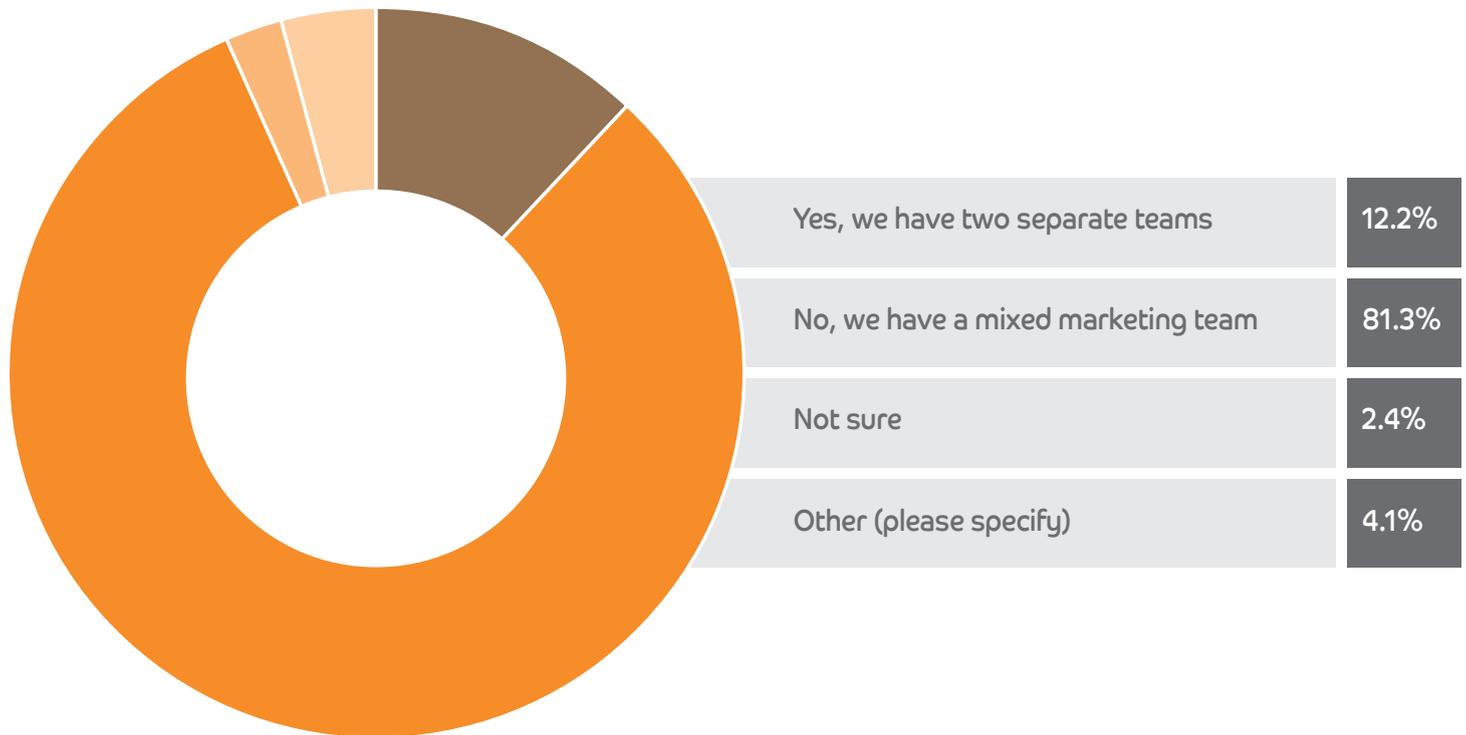
Digital vs. traditional marketing teams

Digital marketing used to be such a niche skill that teams were often siloed off from traditional marketing teams. They were seen as two disparate disciplines. Best practices have since evolved, with digital becoming a central discipline across all areas of marketing.

We asked whether organisations still have separate marketing and digital marketing teams, and the result was clear.

The clear majority (81.3%) have a marketing team that combines both functions. The days of that separation of on and offline is now over, with digital encompassing the majority of marketing functions.
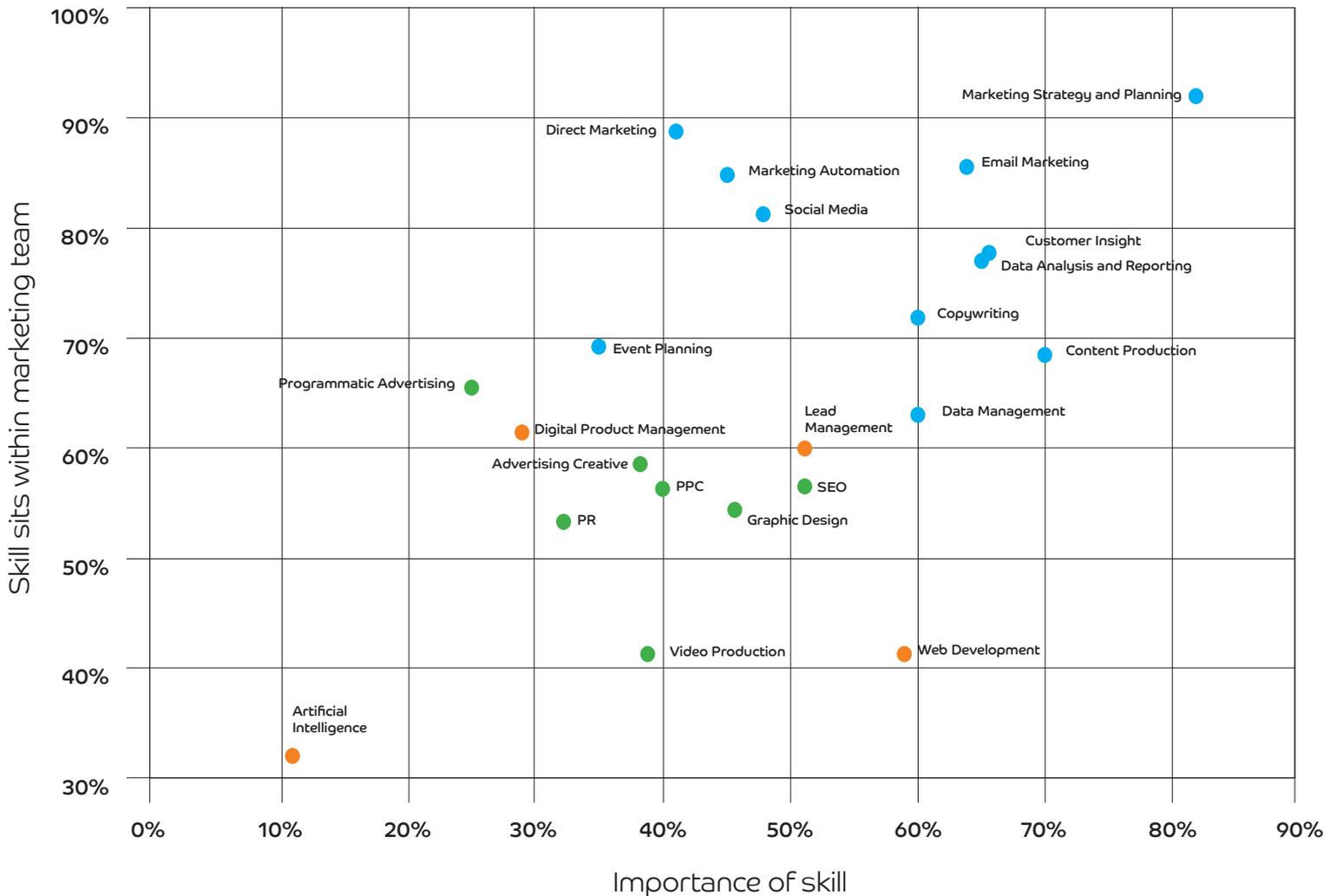
Do you have different marketing teams for offline and digital?

Yes, we have two separate teams	12.2%
No, we have a mixed marketing team	81.3%
Not sure	2.4%
Other (please specify)	4.1%

The marketing skills matrix

This matrix compares the importance of various skills to marketing, to how likely they are to sit within the marketing team itself.

Ranked by feedback from marketers, the matrix is structured to help you think about which core skills are needed in your team (top right quadrant) and which skills could be more easily outsourced to other internal teams or external consultants, agencies or freelancers.
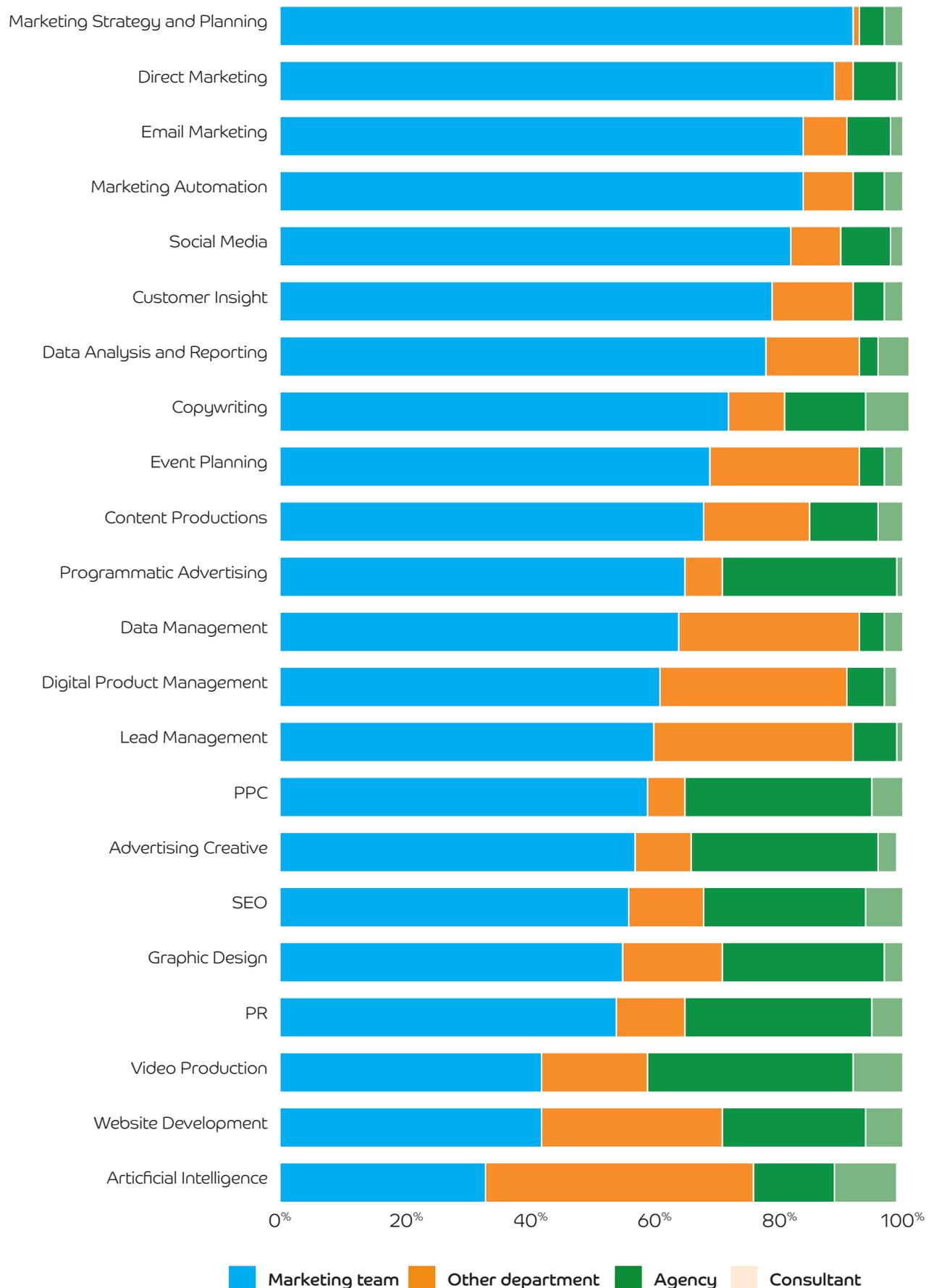

Scatter plot. X-axis: "Importance of skill" ranging from 0% to 90%. Y-axis: "Skill sits within marketing team" ranging from 30% to 100%.

Plotted points:
- Marketing Strategy and Planning (~82%, 92%)
- Direct Marketing (~41%, 89%)
- Marketing Automation (~44%, 85%)
- Email Marketing (~64%, 86%)
- Social Media (~48%, 81%)
- Customer Insight (~65%, 78%)
- Data Analysis and Reporting (~65%, 77%)
- Copywriting (~60%, 72%)
- Event Planning (~35%, 70%)
- Content Production (~70%, 69%)
- Programmatic Advertising (~25%, 66%)
- Data Management (~60%, 63%)
- Digital Product Management (~29%, 62%)
- Lead Management (~51%, 60%)
- Advertising Creative (~38%, 59%)
- PPC (~39%, 57%)
- SEO (~51%, 57%)
- Graphic Design (~45%, 55%)
- PR (~32%, 54%)
- Video Production (~38%, 42%)
- Web Development (~59%, 42%)
- Artificial Intelligence (~11%, 32%)

- The competencies highlighted in blue are those that typically sit within a marketing team. The top right quadrant can be viewed as core marketing competencies of high importance to marketing that sit within the team in the majority of cases. For example, 'Marketing strategy and planning' is ranked no.1 across organisations of all sizes, in terms of both importance and centrality to the marketing department.
- The competencies highlighted in green are those which are likely to be outsourced. These include skills such as advertising, creative, graphic design, video, SEO, PPC and programmatic advertising.
- The competencies highlighted in orange are those that often sit with other internal departments. These tend to be IT-related skills such as web development, Artificial Intelligence (AI) or digital product management.

Ranking of skills by importance
B2C vs B2B vs NFP

Ranking	B2C	B2B	Not for profit
1	Marketing Strategy and Planning	Marketing Strategy and Planning	Content Production
2	Customer Insight	Content Production	Marketing Strategy and Planning
3	Data Analysis and Reporting	Email Marketing	Copywriting
4	Email Marketing	Copywriting	Email Marketing
5	Direct Marketing	Customer Insight	Website Development
6	Data Management	Data Analysis and Reporting	Data Analysis and Reporting
7	Website Development	Data Management	Customer Insight
8	Advertising Creative	Lead Management	Data Management
9	PPC	SEO	Social Media
10	Content Production	Website Development	SEO
11	Copywriting	Social Media	Graphic Design
12	Social Media	Marketing Automation	Event Planning
13	SEO	Graphic Design	Marketing Automation
14	Graphic Design	Event Planning	Video Production
15	Marketing Automation	Direct Marketing	Advertising Creative
16	Lead Management	Advertising Creative	Direct Marketing
17	Video Production	PR	Lead Management
18	PR	Video Production	Digital Product Management
19	Digital Product Management	PPC	Programmatic Advertising
20	Programmatic Advertising	Digital Product Management	PR
21	Artificial Intelligence	Programmatic Advertising	PPC
22	Event Planning	Artificial Intelligence	Artificial Intelligence

Which part of the business manages this skill?

Horizontal stacked bar chart showing percentages for each marketing skill by who manages it.

Skill	Marketing team	Other department	Agency	Consultant
Marketing Strategy and Planning				
Direct Marketing				
Email Marketing				
Marketing Automation				
Social Media				
Customer Insight				
Data Analysis and Reporting				
Copywriting				
Event Planning				
Content Productions				
Programmatic Advertising				
Data Management				
Digital Product Management				
Lead Management				
PPC				
Advertising Creative				
SEO				
Graphic Design				
PR				
Video Production				
Website Development				
Artificial Intelligence				

Legend: Marketing team · Other department · Agency · Consultant

What is the average size of a marketing team?

The headcount within marketing teams varies considerably based on the size of the organisation.

Companies from 1 to 49 employees have an average of 3 people in the marketing team. At the opposite end of the spectrum, companies with 5,000 employees have an average of 45 marketers.

Size of marketing team

| 1 - 24 | 25 - 49 | 50 - 249 | 250 - 499 | 500 - 999 | 1000 - 4999 | 5000+ |
| 3 | 3 | 8 | 11 | 14 | 20 | 45 |

Company Size
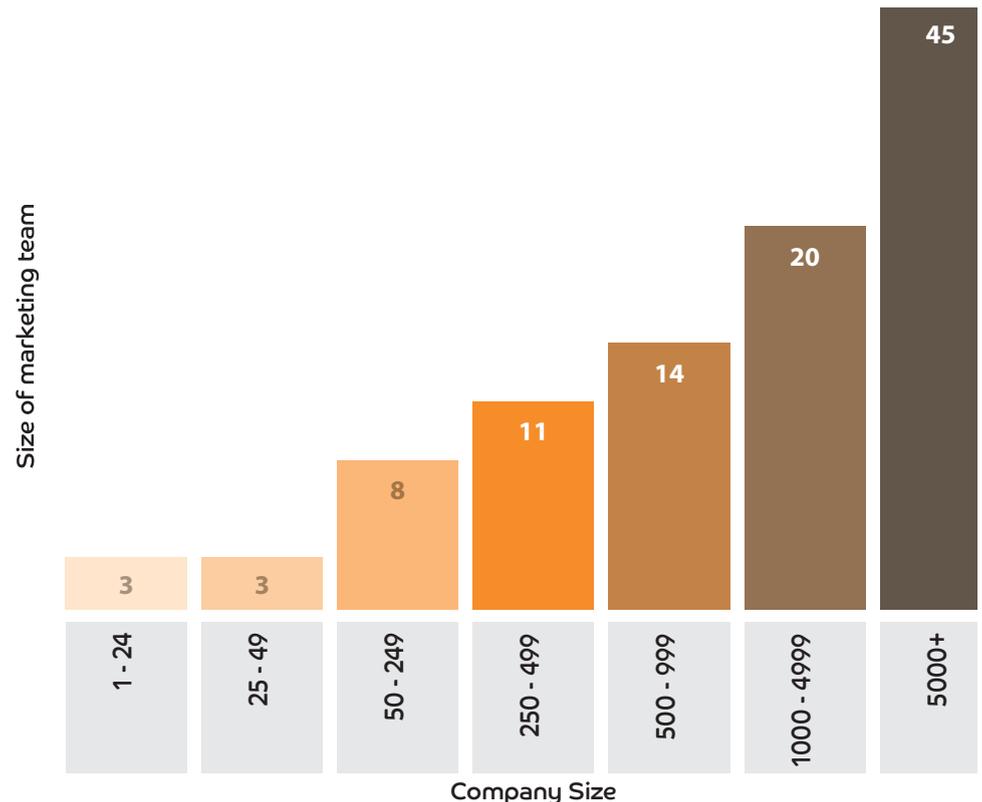
The larger the business the more complicated it gets.

Marketers at larger enterprises place a greater emphasis on the full spectrum of competencies, compared to smaller organisations, which are generally more selective in terms of which skillsets are important to the business.

Competencies viewed as highly important to larger companies include more technically demanding disciplines, such as: Data Analysis (+11%) and Data Management (+12%), Marketing Automation (+11%), SEO (+11%), PPC (+10%) and Web Development (+10%), and Event Planning (+11%).

However, this doesn't mean that large companies are more likely to have these skills within the marketing team.

When compared to smaller organisations, larger organisations are actually less likely to have skills sitting within their in-house marketing teams, due to larger organisations relying on agencies to manage these functions on their behalf.

Marketing teams are becoming more specialised

To allow teams to develop capabilities across such a diverse range of competencies, there is a clear trend towards teams being made up of specialists, as opposed to all-purpose marketing managers.

Marketing teams are restructuring themselves in 2017, focusing on specialised functions rather than vertical markets.

The survey showed that **33%** of respondents expect their teams to become more specialised in 2017, compared to just 3% who are moving the other way to more generalist roles.

30% generalist roles remaining generalist roles

3% becoming MORE generalist in 2017

11% A mix of generalist and specialist

33% becoming MORE specialist in 2017

22% specialist roles remaining specialist roles

Why the move to specialisms?

"Our challenge is finding the right blend of specialist and generalist skills. Finding the right split between digital and audience knowledge, having specialists in each area," one respondent commented.

In a recent interview with TFM, Dave Chaffey, founder of Smart Insights and IDM tutor points out that it is often the right approach to centralise with specialists when new technologies are introduced to an organisation.

"In the early days, digital marketing teams were created, but they weren't integrated with brand product marketing teams. The natural journey is to move from a centralised centre of excellence to reskill teams, and to eventually restructure so that these skills go back into business as usual."

What role do agencies and consultants play?

Not all businesses have the luxury of being able to equip themselves with an army of specialists. For those who can't afford to bring a diverse range of roles in-house, outsourcing remains the most obvious solution.

We asked respondents what role agencies and consultancies were likely to play in 2017 and how satisfied they were with services rendered.

While some described how they were planning to move more business in-house, the majority explained that they will be using agencies to 'bring specialisation to small marketing teams'.

Agencies are often treated as an "extension of the team" providing planning and implementation services for things that the business cannot do itself or cannot do very well.

By working a project-by-project basis it means that marketers "can tap into the specific expertise we need at any particular point in time".

They can be a useful way to "inject new and different thinking into the team".

Main areas to outsource

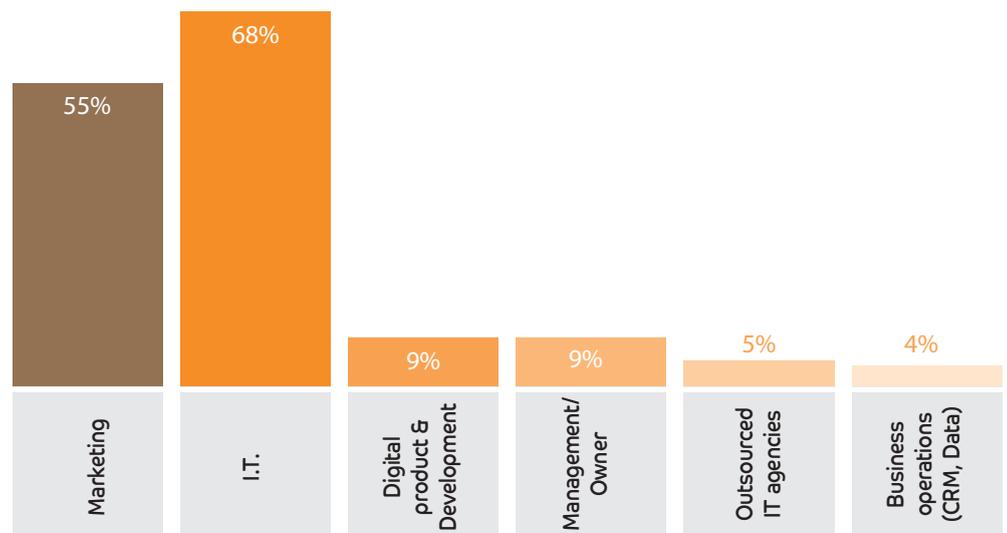The areas flagged as prime competencies for outsourcing included:

- Content and creative: Graphic design, producing video content and support in developing a content strategy
- Search engine marketing and ad tech: Media buying, SEO and PPC
- Technologies: Website management, experiments with A.I. software and augmented reality
- Other specialisms: Public relations and event stand build.

One respondent commented "I am increasing in-house capability and building a centre of excellence. This is because agencies tend to work on projects rather than permanent cultural change work that is needed to progress digital transformation. I want to empower my team to feel like they can craft the future of the business."

Which department 'owns' technology in your organisation?

As digital channels become the primary interfaces for connecting with customers, the resources and budgets of marketing departments are increasingly being invested into technology.

We asked respondents which departments owned technology in their organisation.

Marketing	55%
I.T.	68%
Digital product & Development	9%
Management/ Owner	9%
Outsourced IT agencies	5%
Business operations (CRM, Data)	4%

Respondents could select more than one

Managing tech in a matrix

While more than half of respondents said that the marketing department was the technology owner, just 12% said that marketing was the sole owner of technology. In all other cases, marketing teams collaborate with different arms of the business.

It is becoming clear that there is significant overlap between marketing and IT.

More than two-thirds of respondents (68%), said that their IT teams are the technology owners; but only 29% said that technology laid with IT alone. One-third (36%) said that IT and marketing teams shared ownership.

Marketing only
12%

IT & Marketing
36%

IT only
29%
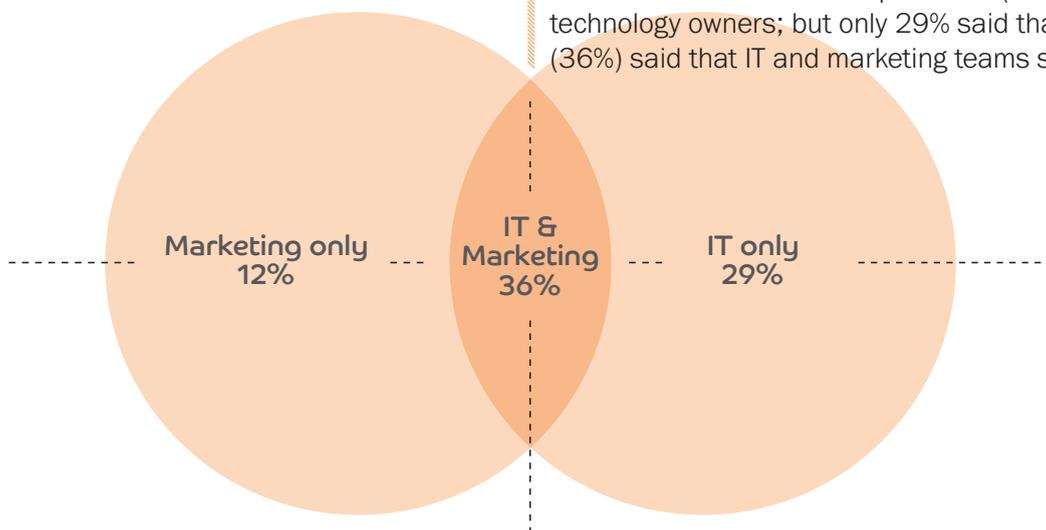
Tips for better Marketing / IT collaboration

Over the years, the division between marketing and IT departments has become one of the greatest ironies in business. While these departments are essentially two sides of the same coin, for historical reasons, they seem locked in a Cold War re-enactment, only disseminating information on a need-to-know basis.

Organisations ahead of the curve have realised the huge gains to be made by combining these two departments. Of course, this requires a fundamental shift in culture from both departments. Here are our top tips to ensure a tighter union between marketing and IT.

- **Break down siloes** – IT tends to focus on transactional functions of the business, with customer-facing applications often taking a back seat. Efforts must be made to break down the cultural divisions between marketing and sales by putting the customer front and centre.
- **Make customer satisfaction a KPI for both teams** – We are living in a solutions-driven world and this affects both IT and marketing disciplines. Put the customer at the heart of all projects. By starting with the customer rather than the IT solution, both teams can let the 'voice of the customer' shape better technology products.
- **Collaborate** - Build a culture of collaboration between functions. Depending on the size of the organisation it is easy for communication to break down between departments. You might even consider bringing both teams together under one manager and budgeting authority to promote cohesion.

What type of support do marketers want from vendors?

Marketing technology vendors can provide a variety of services to support marketing teams. We asked marketers to rank the areas they need the most support on a scale of 1-5.

Events and training	2.97
Customer support	3.33
Professional and creative services (such as email design)	3.07
Account management	3.04

Top challenges in building a high-performing marketing team

2017 is proving a challenging year for marketers. Traditional assumptions and conventions are being challenged; new technologies are reshaping the marketing landscape and to remain at the cutting edge, businesses must push against received wisdom when it comes to best practice.

The major challenges marketers are facing in building high performing teams were as follows:

Technology is driving strategic change

As marketing teams are dealing with increasingly sophisticated channels and technologies "keeping up to date with the latest mass media platforms, social media and email marketing' is proving a challenge for many".

We are seeing that having a clear marketing strategy is more important than ever. Marketing leaders must be able to assimilate a complex mass of data-points, find deeper customer insights and to communicate the vision to stakeholders. The primary importance of strategy is true across businesses of all sizes and in all markets.

Finding and retaining talent

Building a team that is capable of keeping up with these new technologies and channels is proving to be a major task for organisations of all sizes who are struggling to recruit and nurture talent.

"Securing technically skilled people with the right work ethic at an affordable rate' was something we heard repeatedly from respondents."

"Recruitment is harder when looking for a very wide range of skills. We need people with both technical skills and commercial experience."

The year of marketing specialisation

No one person can master all the skills that marketing requires in 2017. From analytics and data management to SEO and content creation, the move is towards building internal and external expertise around specific capabilities. This presents a number of challenges, particularly for smaller organisations whose limited budgets requires marketers to wear multiple hats. It also creates a more matrixed environment, where marketers need to consider how to get the best from IT and other teams.

The role of agencies, consultants and freelancers

Trusted third-parties will play a critical role as they allow teams to fill gaps in their portfolio of capabilities. Whether its technology, search engine marketing or content production, agencies can provide expertise as and when required. However, an over-reliance on agencies can be a risk, as it can lead to different teams working in siloes.

Getting better with data

The need to improve handling of data is a key theme in this GDPR year. "We gather a lot of data and information but rarely have time to thoroughly analyse and use it strategically. Or rather to use this data to generate even more effective campaigns," one respondent said.

Others complained that they were struggling to develop a "data driven culture' within the organisation with 'so many metrics, so little for analysis".

Tight budgets

Businesses large and small, but particularly small, have marketing teams under pressure to do more with less.

"About 50% of the team has been made redundant," said one respondent. "The people that are left do not have the right skills".

Others said that marketing simply wasn't given the resources needed, complaining a "lack of marketing budget" presented challenges in terms of "managing expectations" from the business.

The IDM view

Jane Cave
Managing Director
IDM

The complexity of digital marketing requires specialists from a wide range of disciplines to work in a seamlessly integrated team of channel specialists and marketing generalists.

While this report indicates that the need to digital marketing specialists is deepening, a fact which is reflected in the broadening range of IDM courses, it also suggests that those responsible for the management of marketing teams need to have a correspondingly expansive knowledge of all marketing channels and activities.

The report indicates that over 81% of respondents have already moved beyond the much-discussed silo and that digital is now fully embedded into a marketing process that regards marketing strategy and planning skills as the most important core competency. Interestingly, this applies equally to organisations of all sizes.

It is significant that the report shows the growing dependency on combining in-house and outsourced skills to achieve marketing objectives. Some 16% of the professional marketing workforce is already part of the so-called gig economy and many outsiders poses the much in-demand specialist Content and Creative, SEO and PPC skills that don't yet exist in-house.

The report also highlights the changing relationship between marketing and IT that will perhaps herald the most significant developments in digital marketing and skills going forward. It seems to me that great digital marketing often emerges from the crossover points between different skill sets. The merger of marketer insights and technologist skills will provide significant advantages to any business.

In a market fraught with strategic challenges and tactical difficulties that every marketer must find a way of working through, this report will enable you to benchmark your progress in the road to building a high-performance marketing team.