

# THE STATE OF B2B WOMEN CMOs

2021



# INTRODUCTION

The Empowered CMO retreat of 2020 didn't look like it did in years past. Instead of hugs and handshakes, we greeted each other in the chat box. Instead of cocktails after a day of inspiring sessions, we toasted each other from our own homes. But despite our distance, we continued to connect, share, and learn from each other. As in years past, we left the event recharged, with a renewed sense of purpose and commitment.

The Empowered CMO Network began in 2018 as a joint creation of 6sense, SEBA International, and Allocadia. Its purpose was to cultivate authentic, open, and inspiring dialogue between women B2B marketing executives. It's still serving that purpose today, and I'm so happy to be a part of it. Like all of you, I'm passionate about propelling the role of the CMO to greater heights, and I'm also fully dedicated to helping elevate women in leadership positions.

That's why it's so important to revisit and share all the amazing insights, sage advice, and hard-earned expertise that was shared so generously at our most recent retreat, as well as in the follow-up interviews I conducted with conference speakers and other female marketing leaders once the event was over.

I'm also excited to share the results of the Empowered CMO 2020 Survey. The responses paint a thought-provoking picture of where we're currently spending our time, what we've achieved in the past year, and where we're going from here. I hope you find the insights as interesting as I do.

It continues to be an honor to be a part of the Empowered CMO Network. Here's to a better and brighter year — and 2021 retreat where we once again toast each other in person!

**Latané Conant**  
*Chief Market Officer, 6sense*

# THE OUTLOOK FOR CMOs

2020 was a year like no other. The entire world was forced to reinvent how we do things, and as CMOs, we were no exception. Overnight, some of our most tried-and-true marketing channels — conferences, events, in-person meetings — disappeared. Like it or not, we found ourselves taking stock, reassessing, and embracing a word we'd all come to loathe by the end of the year: *pivot*. For some of us, the pivot was within our existing roles. But for about one-third of the people who responded to our Empowered CMO survey, it meant moving into a new job altogether.

2020 required us to dig deep and find opportunities in places we probably wouldn't have looked otherwise. Despite its many challenges, the past year presented CMOs the opportunity to flex their strategic muscles and show what we were really capable of.

**1/3 OF RESPONDENTS  
CHANGED JOBS IN 2020**



Maybe that's why, as we head into 2021, CMOs are the most optimistic bunch in the C-suite. According to a Gartner study, 73% of CMOs expect the near-term economic impacts of Covid-19 to be short-lived — even as they face significant budget cuts.<sup>1</sup>

The women in the Empowered CMO group certainly embody this optimism. In our Empowered CMO survey, a consistent theme emerged with regards to the outlook for 2021: CMOs are stepping into their roles as Chief *Market* Officers like never before. They are using their command of the market to help their businesses weather — and grow through — extraordinary storms.

Here are some of the ways survey respondents saw themselves transform as leaders and carry their companies forward during the pandemic:

- **They epitomized agility** — with content, with team organization, and with product launches.
- **They mastered forward vision** — anticipating ever-shifting market demands and redefined customer needs at every step.

- **They doubled down on strategy** — harnessing market and customer insights to come up with new ways to prospect, retain customers, and to manage and develop teams.

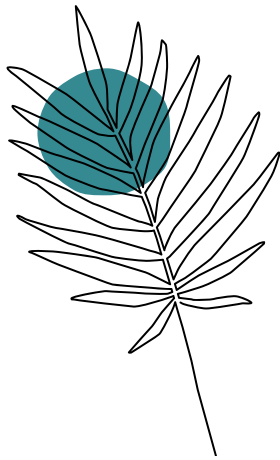
This big-picture thinking and agile leadership will be essential in 2021 and beyond, as businesses move on from crisis response to reprioritize revenue growth and profitability.

## Equity Is a Mandate for CMOs

The pandemic wasn't the only cause for seismic shifts in how CMOs perceive their roles in 2020. The year was also one of a long-simmering racial reckoning, and many companies responded by taking a firm, vocal stance on social justice issues.

In 2020, it became even clearer that diverse and inclusive workplaces are non-negotiable. Equity initiatives are necessary for both employee experience and customer experience, and customers are increasingly holding the companies they do business with accountable for their words and actions. In fact, for the first time in almost a decade, equality

<sup>1</sup> <https://www.gartner.com/en/marketing/research/part1-the-annual-cmo-spend-survey-2020>



## How CMOs Will Meet the Challenges of 2021

As we shift from crisis response to recovery, CMOs will need to draw on certain skills and strategies to help their brands stand apart. Drawing from the Gartner report and our own survey, we believe that, in addition to the functions we own (see table on page 6), successful CMOs will need to focus on a few key areas in 2021.

The first is adaptability that goes beyond mere flexibility. I once had a boss who asked me if I considered myself to be flexible. When I said I did, he said, “Flexible is too rigid. You need to be fluid.”

That’s never been truer than it has in the past 12 months. And as we continue through pandemic recovery, we can be sure that volatility and change will remain the name of

the game. During the months ahead, CMOs will need to tap into their fluidity to adapt to changing customer needs, shifting budgets, and operational realities.

At the same time, CMOs — as the experts on the voice of the customer — will need to stay closely aligned with customer intelligence to respond to changes that may affect purchasing behavior. Backing up these customer insights with data and sound strategy will be key to earning the buy-in of others in the C-suite.

And finally, strategic thinking will be more important than ever. The Gartner report highlights the need for smart strategy when it comes to adapting to shrinking or re-allocated budgets — including eliminating “mediocre programs and vanity projects, freeing up budget to invest in more critical areas like data, analytics, marketing technology and talent.”

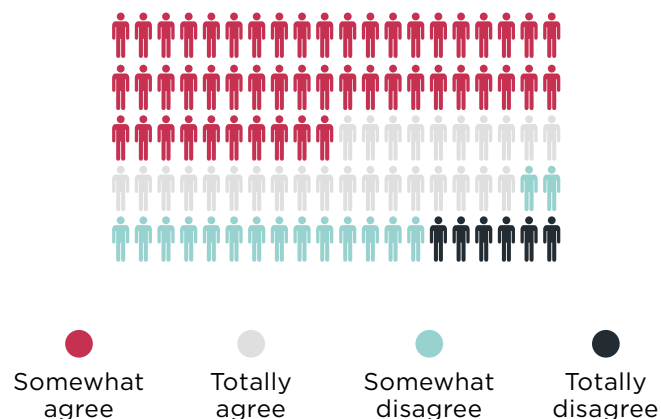
beat out loyalty as the highest-ranking consumer value, according to Gartner. More than half of consumers now expect that brands will take action when it comes to social issues.

As the owners of their brand’s voice and image — and as head employee and customer experience shapers within their companies — CMOs found themselves reevaluating how they, and their companies, walk the talk when it comes to equity.

According to our survey, around two-thirds of Empowered CMOs either lead or advise on diversity and inclusion initiatives for their brands. And while some good progress was made this year, there’s still work to be done. We found that only 29% of respondents totally agreed that their companies had made significant progress on diversity and inclusion in the past 12 months. Nearly half somewhat agreed, but 22% either somewhat or totally disagreed.

As women dedicated to lifting others up to achieve their full potential, Empowered CMOs are in a unique position to continue efforts to improve equity across their teams and their companies. This was one of the many encouraging and hopeful themes that emerged during the Empowered CMO 2020 retreat, and one we’ll delve further into in this report.

### HOW MUCH DO YOU AGREE WITH THE FOLLOWING: MY COMPANY HAS MADE SIGNIFICANT PROGRESS ON DIVERSITY & INCLUSION IN THE LAST 12 MONTHS.



Answered: 105 Skipped: 3

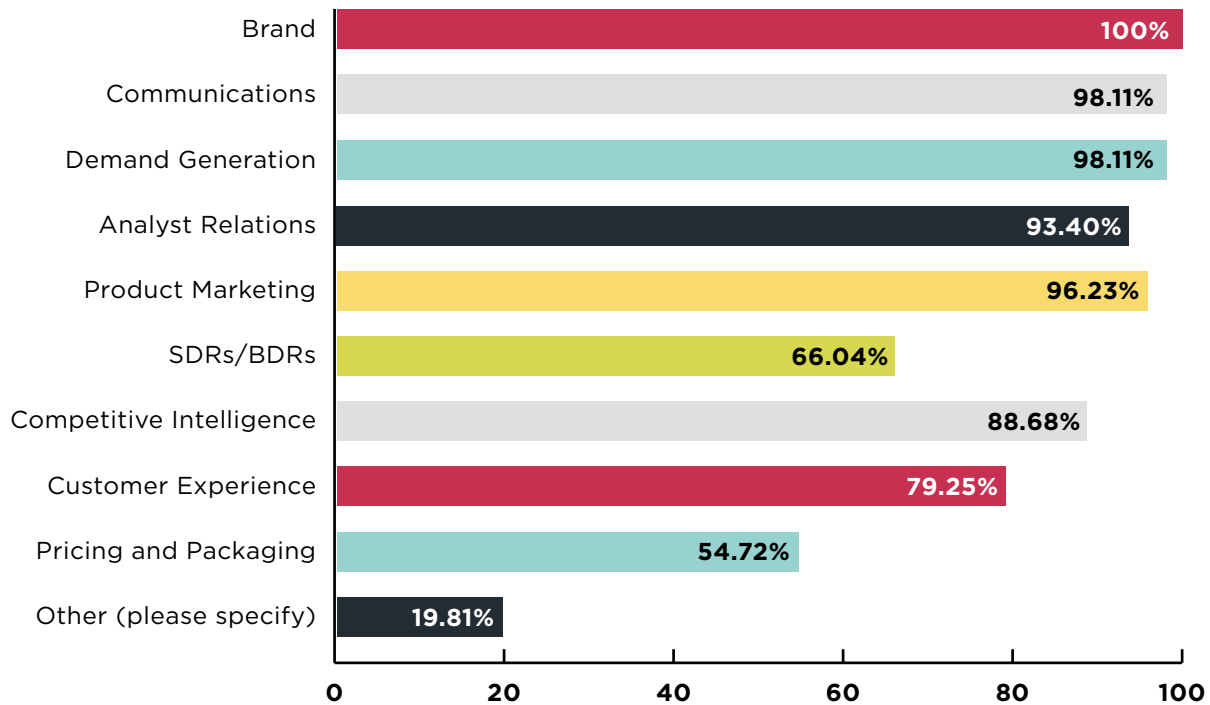


TRACY  
EILER

"My power is me,  
and my extension of  
my power to others.  
Lifting up other  
women has become  
super energizing."



IN AN IDEAL WORLD, WHICH OF THE FOLLOWING DO YOU BELIEVE THE CMO SHOULD “OWN”? CHOOSE ALL THAT APPLY.



Answered: 106 Skipped: 2

## The Rising Tide Lifts All Boats

As CMOs consider their own changing roles, as well as their companies' positions within an economy in flux, they're keeping an eye out for their communities as well. And in this period of distance and disconnection, the need for community feels stronger than ever.

The Empowered CMO retreat offered a chance for participants to recommit to a shared cause of elevating women to achieve new heights in marketing — to lift others up, and to allow themselves to be lifted by their community.

The topics covered in the retreat were far-reaching, but they all shared a common theme: How women CMOs can own their power, not only to advance their own careers and take their businesses to new heights, but also to help share power with the women around and behind them.



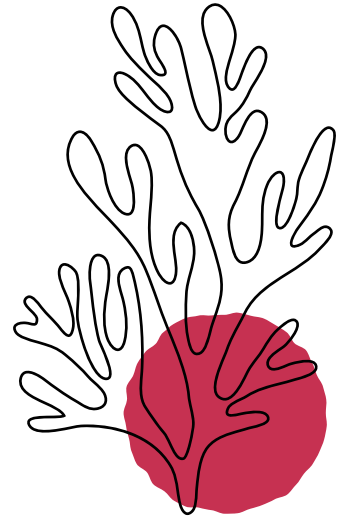
## CAY GLIEBE

SVP Marketing, OneSource Virtual

“The important piece about being the Chief *Market* Officer is you are knowledgeable, you are viewed as credible, and you can have a business conversation. You can talk about the business objectives, and you can translate what you’re doing — not just into a series of activities. You have to know what the language is that’s expected at that level.”



# RISE OF THE CHIEF *MARKET* OFFICER



For a few years now, we've been discussing the need for a fundamental shift in how we define the role of CMO. The past year has highlighted the amazing breadth and depth of skills we bring to our roles. There's never been a more apt time to take a deep look at what CMOs do, the value we bring, and what we want for our futures.

If you've heard Empowered CMOs talk about this topic before, you've probably heard the idea that we need to rebrand the CMO title from Chief *Marketing* Officer to Chief *Market* Officer. After all, we're the only role in the C-suite that has *verbing* in their title. The CFO isn't the Chief *Financing* Officer, and the CRO isn't the Chief *Selling* Officer. All the other C-level roles are recognized as transcending actions and instead bringing to the table an expansive mastery of their field.

Likewise, the value that we CMOs offer is not the stuff we do. It's our mastery of the market that earns us a seat at the table. And so some of us have decided to drop the *-ing* and call ourselves Chief *Market* Officers.

But this is about something much bigger than a title shift. It's about standing strong in your role as *the* expert on your market — both as it currently exists and how it can be molded to further your company's goals. "This is about crystallizing the role and the responsibilities of what you do," says Christine Heckart, tech CEO and board member. "You need to create the market, win hearts and minds, change behaviors, and shape the market in your image."

## Changing the Perception of the CMO

Still, owning your worth and convincing others to recognize the value you bring are two different animals, and many CMOs find that they're not taken as seriously as their C-suite colleagues. A perceived lack of business and financial acumen keeps some CMOs out of important strategic decisions.

But for the sake of your own career, and for the success of your company, it's essential that you change that perception. And embracing the role of Chief Market Officer — not necessarily as a title change, but as a way of

thinking and operating — is the key to making that happen. According to tech executive and full-time board member Nora Denzel, "Embodying this vision is what will get you into the room where decisions are being made."

In our survey, we heard from many Empowered CMOs who are already embodying this vision. One respondent said that in 2020, her role changed to have a "bigger focus on strategy, story, and market shaping." Another wrote about "increased customer retention strategy," "forensic review of the funnel since historical benchmarks are not as reliable," and increased focus on "category building."

These are all responsibilities that fall under the heading of "market" and not the *-ing* activities that don't earn us a seat at the table. Kate Bullis, Global Practice Leader and Cofounder at SEBA International, said in her session, "I want to spend 75% to 80% of my time on the market and 20% of my time on the *-ing*. I've got a team to do the *-ing*; I do the market. Make sure your CEO and your peers see you as representative of the market."



Going forward, Bullis emphasizes the importance of remaining focused on the market in order to change your role and your value to the organization. A lot of survey respondents mentioned that their roles have shifted in the past year toward efforts like internal alignment. And that's important, but it shouldn't be your main focus, Bullis says. "If it takes away from your ability to focus on the market, then the movements that you are making this year are not taking you closer toward the destination of a Chief Market Officer."

## The Key to the Boardroom

One of the most popular sessions from our retreat two years ago — and a topic that's always top of mind for CMOs — is how we're perceived in the boardroom. This is one facet of our jobs where it's essential that we embody our new roles as Chief Market Officers. Unfortunately, it's also an area where, historically, it's been hard for marketers to shine.

"Marketing is tough in the boardroom because marketing is tough," says Jamie Barnett, advisor, investor, and board member. "There's so much across the business that you need to know about and own, or at least influence. You go in there, and everything's fair game."

But by embodying the role of Chief Market Officer, you can shift the way the board perceives you and the value you bring to the organization. Here are some tips about how to show up in the boardroom in a way that's most successful for both you and your organization:

- **Stop with the -ings.** Presenting slide after slide of marketing activities may paint a detailed picture of what your team is up to, but it doesn't show the board that you're focused on what matters: outcomes. Ditch

the slides about your many impressive campaigns, and talk instead about the three metrics that matter most for your company's success.

- **Go easy on the details.** Along the same lines, you do yourself — and your board — a disservice when you inundate them with details. For the board, it's a distraction and a waste of time. For you, too much detail can make you look junior, according to Carilu Dietrich, CMO and advisor. "It looks like you're trying to justify it and you don't actually have the mastery," she says.
- **Start with a slide on market POV.** After the 2019 Empowered CMO retreat, I decided to start all my board slides with a POV on the market. When I first put this plan into action, I was nervous. Would the board even care? Would they rush past it to get to the pipeline metrics? It turned out I didn't need to worry. That one slide led to the most engagement and active conversation — and it was much more stimulating and helpful than simply walking through pipeline dynamics. The board meeting that I was sure would be our worst (our pipeline was not awesome that quarter) turned out to be my best. I didn't avoid the bad news, but I did cement my position as the person in the room who represents the market.
- **Be a problem solver, not a reporter.** It's inevitable that there will be obstacles and problems, and you should absolutely report on the ones the board needs to know about. But show up with ideas and solutions to problems, not just a list of the hills you need to climb.

- **Know your board members.** Understand where they're coming from, what their state of mind is, and what their long-term goals are as they relate to your company. That way you can answer not just the questions they're asking, but the meta questions — the questions behind the questions — says Barnett.
- **Explain your thinking.** When you answer questions, make sure you're sharing your thought process and providing the *why* behind the *what*, advises Barnett. For instance, "I'm doing this program as an experiment because we need to hit a big number next year." On that same note, when you're presenting numbers and data, put them in context. "When you read these numbers, what do they say to you?" asks Denzel. "What were you surprised at? What caused you the most consternation? What was most controversial inside the company with these?"
- **Stay calm and in control.** CMOs can sometimes appear defensive in the boardroom, but Denzel notes that one of the most important ways to be taken seriously is to maintain composure. "Just think of it as a peer-to-peer conversation. We might not agree. We don't have to agree. But just stay calm and in control. After all, it's just business at the end of the day."

One thing that's clear about all these tips is that they require big-picture, strategic thinking. The board wants (and needs) you to approach your job with a firm understanding of the business and the market overall — not just your piece of it. In short, the board wants to see you thinking like a CEO.



EVELYN  
SWAIM

“It’s our presence, our  
POV, our command  
of our domain, our  
expertise, our experience,  
our accomplishment,  
our ability to influence  
and our gravitas — that’s  
what levels the field.”



## The CMO to CEO Pipeline?

It shouldn't be a stretch for CMOs to start thinking and acting like CEOs, since according to our survey results, many Empowered CMOs are doing that in their everyday lives already. In fact, the vast majority of the CMOs we surveyed report spending their time on areas straight out of the CEO job description:

- Developing and executing company vision & strategy (87%)
- Creating alignment with the executive team (85%)
- Developing and running the go-to-market strategy (93%)
- Tracking and reviewing revenue KPIs to ensure growth goals are met (93%)
- Understanding market and industry dynamics (91%)
- Leading/developing team members (93%)

Dietrich sees the progression of CMO to CEO as a natural one. "At each stage of growth in your career, you're trying to learn mastery in what you're doing, and then you're looking ahead to what's next," she says. Early in your career that might mean you're mastering demand gen while looking ahead to messaging. Then when you're mastering messaging,

you may be looking ahead to product marketing. So throughout your career, you add more expertise to your toolbox, and that's how eventually you become CMO.

That process — mastering your current role and looking ahead to what's next doesn't stop once you reach the C suite. "The next stage is thinking like a CEO, and thinking like a board, and thinking like your investors," Dietrich says. "As a marketer, your thought is, 'How do you optimize what you have and grow it further?' As a business investor or CEO, you think, 'How can we accelerate the growth? How can we do even more?' Sophisticated CMOs are on their way to being CEOs, strategists, and board members, and you see that in a lot of career paths."

Yet even as CMOs report that they're spending their days thinking and acting like a CEO, only 8% of survey respondents say that they have ambitions to actually become a CEO. Is that because of a lack of desire, or is it because women marketing leaders don't see themselves represented at the highest levels of business?

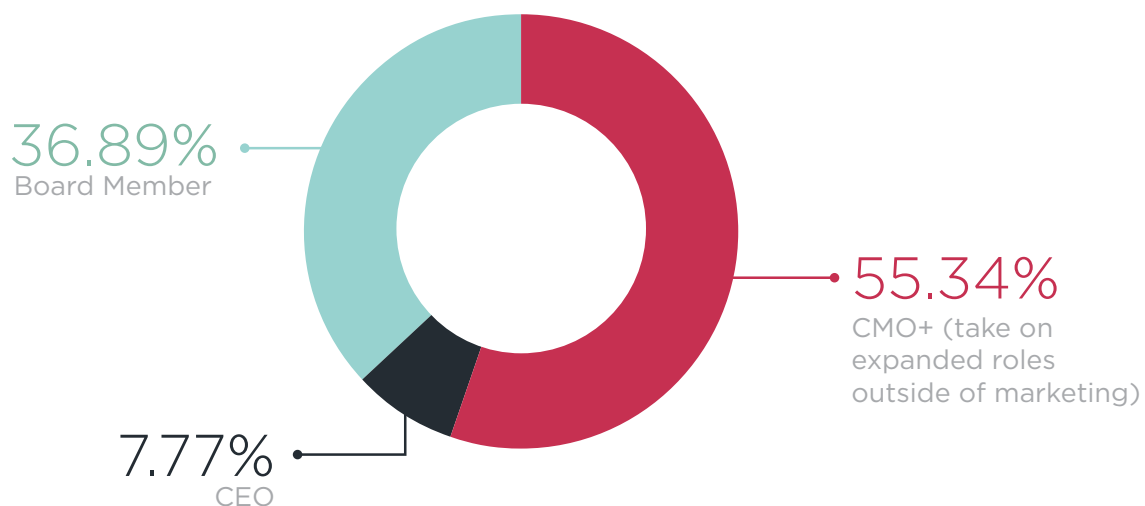
Anna Griffin, chief marketing officer at Smartsheet, believes it's a bit of

both. In part, she explains the lack of women aspiring to the highest levels of leadership by pointing out that we have a single story of who a CEO is and what (usually) he does. But Griffin points out that we have the power to change that story — or at least add more chapters to it. "It might not be as defined as the world defines it today. There are other perspectives from which to look at the role of the CEO — and maybe one that fits more to a feminine mindset or perspective."

At the same time, we need to challenge our own stories of ourselves. "Destiny follows story," Griffin says. "Some people have been given the gift of being told stories about themselves and their potential. Those are the women who have gone forward and done great things."

For the rest of us, Griffin offers this encouragement: "You can always rewrite your story. It's a soul search. What are your talents? What do you want to do? Where are you going to make your impact and your contribution? And go write that story. For a lot of women, that is CEO. I just don't think they've given themselves permission to even think that."

### WHAT'S YOUR DESIRED NEXT CAREER STEP?



Answered: 103 Skipped: 5



ANNA  
GRIFFIN

CMO, Smartsheet

“Every year, every experience, the stories for myself, which inevitably are going to shape the destiny, start to change. The light switch is on, and I see myself reauthoring.”





# THE ROOM WHERE IT HAPPENS

We've talked about showing up *to* the board as a CMO, but what about showing up *on* the board? This is another place women haven't seen themselves represented adequately, but that's beginning to change. Women now hold 16.9% of global board seats (up 1.9% since 2017)<sup>2</sup> and 17.9% of U.S. board seats. Clearly, there's still a lot of room to grow, and Empowered CMOs are poised to help spur the shift. Based on our survey, 37% of Empowered CMOs aspire to serve on boards as their next desired career step.

The numbers suggest gender may be an obstacle, but CMOs face another hurdle in landing a spot on a board: Very few board positions go to marketers. In fact, research shows that of the thousands of public company board seats in the United States, only 26 belong to CMOs.<sup>3</sup>

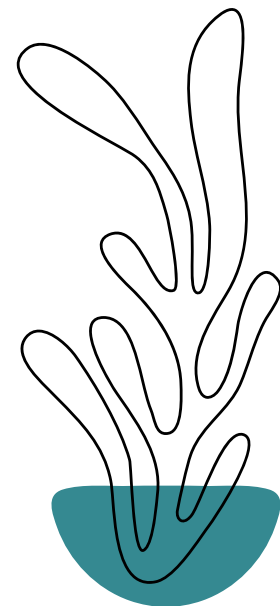
That's bad news not only for CMOs who want board positions, but also for the companies themselves. After all, marketers have a lot to offer boards. Research in the *Journal of Marketing* suggests that marketing representation on boards helps companies better

prioritize growth as a strategic objective. Marketers on boards also improve the effectiveness of companies' revenue growth strategies: When a marketer is on the board, revenues increase by 5.8% per year.<sup>4</sup>

Put plainly, companies without marketers on their boards are at a competitive disadvantage.

The same research found an additional benefit of increasing marketing representation on boards: It improves diversity — in terms of both age and gender, since marketers are more likely to be female and younger than the average board member. Marketers have the potential to bring a desperately needed fresh perspective to company boards.

Bullis tells the companies she advises that if they don't have a CMO on the board, they're letting their competition eat them alive. "If the CMO is the voice of your customer, the voice of brand, the voice of your market, the voice of change, the voice of growth, don't you want that voice in the boardroom?"



## How to be considered for board positions

If you're among the 37% of CMOs who think that being a board member is the next stop on your career journey, there is a lot you can do to set yourself up to land a coveted board position. But bear in mind that there's no shortcut. To be an appealing candidate for a board, you need to have strategy, business, and financial acumen — and the only way to earn those is through experience.

Jamie Barnett gives two pieces of advice for people who want to get on boards. The first: You have to do the hard work and earn your expertise. That means struggling, asking questions, and sometimes even sounding dumb so you can gain the knowledge and insights that would be valuable on a board. Her second piece of advice? Be a giver. "If you really start to give freely of your time, your expert knowledge, your kindness, and your support, and everything you possibly can to help others succeed, then it just happens that you'll be sought out."

2 <https://www2.deloitte.com/global/en/pages/risk/articles/women-in-the-boardroom-global-perspective.html>

3 <https://www.spencerstuart.com/research-and-insight/cmoss-on-boards>

4 <https://journals.sagepub.com/doi/10.1509/jm.17.0195>

It's also important to approach this endeavor like a marketer. That starts with figuring out your product-market fit, says Shannon Gordon, CEO of theBoardlist. You need to know who you're targeting and for whom you'd actually be a thought leader. "The board wants somebody who is going to be additive to the thinking," she says. "That might mean you may have great startup experience and therefore are enormously valuable to a public company that is trying to figure out innovation."

Coco Brown, CEO of Athena Alliance, likens the search for a board seat to the approach high schoolers take when looking for a college. "You have to think, what are my safeties, my matches, and my reaches? You build your story for your matches. You kind of prime the pump for everybody, for the safeties and the matches. And you customize every time you want to go for a reach," she advises.

As far as the logistics of getting noticed by boards goes, most people get board seats through networking, with the help of a recruiter, or by

joining registries like theBoardlist or communities like the Athena Alliance. These are all ways to connect with the right people, so that when a board seat opens up for which you're an ideal fit, you'll be top of mind.

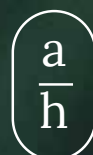
Most importantly, remember that you have enormous value to bring to the right board. "The biggest barrier for a lot of us is not knowing that we have that place," says Brown. "I'm here to tell you, after thousands of engagements with women in boards, figuring out what the fit is, you have a place. You really do."



## ARLAN HAMILTON

*Founder and Managing Partner, Backstage Capital*

"We can no longer be encumbered by imposter syndrome. That is wasting our time, we have a lot of time to make up for as women. And so we have to put that to the side and just break through that."



# CATEGORY DESIGN INSIGHTS

Two years ago at our Empowered CMO retreat, we talked a lot about the idea of category design. A business discipline popularized by Play Bigger, category design is “creating and monetizing new markets in a noisy world.” It requires a deep understanding of the problem your business solves, and it facilitates revenue growth by “expanding addressable markets, increasing annual customer value, and differentiating companies from their competition.”<sup>5</sup>

As the role of CMO is evolving and growing, many are approaching their roles through a category design lens. “The CMO role is at an inflection point,” says Jennifer Johnson, Chief Marketing & Strategy officer at Amplitude. “Many CMOs come from demand generation backgrounds, and you need to have a revenue and growth focus, but the CEO and board increasingly want leaders who can help design and shape the market through category creation.”

At this year’s retreat, Johnson and Janice Le, Chief Market & Product Officer for Helpshift, were joined by one of the founders of Play Bigger, Dave Peterson, for a panel discussion of category design. Their conversation yielded a number of important takeaways for CMOs considering or embarking on category design in their own companies.

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5 <https://www.playbigger.com/category-page>

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## 01 ON WHAT CATEGORY DESIGN IS

“We think of category design as an action. It’s actually a decision. I look at it as, ‘I’m building products for which there is a market that has an unmet need. A market that has a problem. So how do you describe that unmet need? That becomes the category. What your role is in that category is your position. And so I actually never looked at it as an exercise of category design or category creation, I looked at it as taking products to market and building the right products for the right audiences within that market. That’s what I think category design is.”

— Janice Le

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## 02 ON WHY CATEGORY DESIGN WORKS

“Everybody, every consumer on the planet, every business buyer, goes through the same category sequence. First, they go from a problem to a category. Then, they go from the category to either a company or a product. Every single time. For example, when you go to the grocery store, and you land in the organic section, that’s a category. Then you start picking out products. The category is an invisible gate. And once you understand the gate is there, you can do some pretty amazing things for your company to get front and center in front of that category, because people will walk through that gate every time.” — Dave Peterson

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### 03 ON STARTING THE CATEGORY CONVERSATION

“It’s not a category conversation, it’s a business conversation about how you grow the business. And then it turns into, ‘Well, do we really have product-market fit? Because if we did, we wouldn’t be worried about growth or churn or NPS. We wouldn’t be worried about trying to get to the next round.’ And then, ultimately, it turns into, ‘Are we in the right market? Do we have the right product?’” — *Janice Le*

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### 04 ON WHY CATEGORY DESIGN IS NECESSARY

“The day you start your company or the day you start introducing your product to the market, you will be in a category. And then you have a choice to make: Do you control the category? Do you define the category? Or do you let somebody else control and define it? Do you let somebody else tell you what category you’re in? Or do you tell them what category you’re in?” — *Dave Peterson*

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### 05 ON WHEN IT’S THE RIGHT TIME TO DIVE INTO CATEGORY DESIGN

“A lot of times the category is either ahead of the product or behind it. If your category is behind the product, you’ve got the world’s greatest category situation, because you are in that special window where your product will fulfill the category promise. You can launch a strike with a POV, and the magic triangle of category, product, and company will be fully aligned.” — *Dave Peterson*

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### 06 ON HOW TO KNOW IF YOUR CATEGORY IS SUCCESSFUL

“You know the category is working when you are delivering market-leading products, when you are creating an ecosystem, when you are increasing your average deal size, when you are getting those C-level meetings, and when you are de-positioning your competition. Category design is a growth lever. You know it’s working when the business is growing and you are becoming a must-have versus a nice-to-have.” — *Jennifer Johnson*

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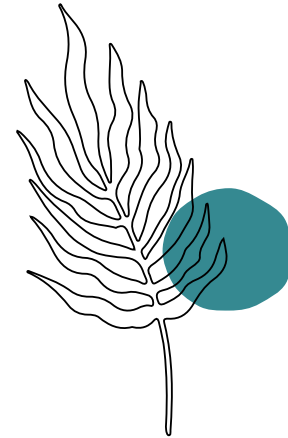
### 07 ON AVOIDING CATEGORY DESIGN PITFALLS

“You have to know how far your vision is ahead from your reality. The vision needs to be ahead of the product, but there is a risk when it’s too far ahead. You have a killer point of view and get everybody all excited. But if the product strategy isn’t aligned or moving at the same pace as the category, gravity sets in. It’s easy to fall back to the place of least resistance, which is where you started.” — *Jennifer Johnson*





# NAILING THE IPO



Another common aspiration for CMOs is to be part of an IPO. For most of us Empowered CMOs, being part of the team that brings a company through an IPO is top of the bucket list. As Jennifer Johnson puts it, an IPO is “the corporate equivalent of your wedding day.” But the whole process remains a mystery to people who haven’t gone through it. Luckily, we have some incredible women in our group who have rocked the IPO — some of them at multiple companies — and they were willing to demystify the process for us.

In our session “How to Nail an IPO,” we heard from two experts on the topic: Denise Persson, who has been through three IPOs — including Snowflake, which was the biggest software IPO to date — and Carilu Dietrich, who helped lead Atlassian through its IPO and now advises CMOs and CEOs on marketing and communication pre- and post-IPO. Jennifer Johnson and Maria Pergolino, CMO at ActiveCampaign, later joined the conversation to share their insights. Together, the four women basically served up a master class in how to CMO the hell out of an IPO.

To start, Dietrich pointed out that running an IPO process is similar in a lot of ways to running a normal campaign. For both, you’re drawing on your mastery of the market and

your understanding of your customers to shape perceptions and actions. “The reasons why investors should buy into you are the same reasons why customers should buy into you,” Dietrich says. “Investors really care only about your customers.”

But while an IPO is an opportunity to double-down on your positioning and to lean into your category, it’s not the time to undertake a repositioning. The reason? Once you have everyone — including bankers — involved in readying your company for an IPO, you’ll be at the mercy of endless opinions, instead of taking a thoughtful, market-led approach. Ideally, your category design and positioning will be nailed down before all those extra cooks enter the kitchen.

Another mistake companies make during the IPO is to exclude the CMO, or to bring her into the process too late in the game. That’s a critical error, since the CMO is an essential asset to an IPO — from beginning to end, and beyond. Before even starting the process, the CMO needs to create a comprehensive strategy for marketing the company to investors. And throughout the journey, all stakeholders need to be telling a consistent story of the company’s unique value, its successes, and its potential. The CMO is the ideal person

to drive that story and inspire the team to champion it.

One way CMOs can (and should) get involved earlier in the IPO process is by working with analysts on market positioning. This is a critical piece of the process that CMOs can own and lead. In a recent TalkingSense episode, Noreen Allen, chief marketing officer at Bandwidth, explained why working with industry analysts from the beginning can be a game-changer. “If you’re looking to take a company public, you have to be able to show investors where you fit,” she said. “You want to show that you’re part of a big, growing market, and clearly communicate your unique position within that market and where you’re headed. Research analysts can help you define the total addressable market, and can play a key role in helping to articulate and validate your position in the market. Strategic positioning, market education, and analyst relations should be a top priority for any CMO considering IPO.”

Another area where CMOs play a big role in the IPO process is in the creation of the S-1 — the document companies need to file with the Securities and Exchange Commission if they plan to go public. The S-1 presents the business’s story, outlines its financial performance, describes

the competitive landscape, and details how it plans to spend the money it raises in the IPO. This is the document investors go to when deciding whether to invest in the company.

Part of the S-1 is a culmination of the category work, which tells your story. But it's also important to remember that it's a legal document and is how you articulate your story to investors. So while the CMO can create the foundation for the business section of the document in terms of outlining market opportunity, differentiators, and overview of the competitive landscape, you'll need to let go of some creative control. "There may be nuances to the story that are more relevant for investors versus other stakeholders," says Johnson.

One aspect of the IPO that invites more creativity is the company roadshow video. Before an IPO, the leaders will go on a "roadshow." This is where they spend a couple of weeks meeting with investors and pitching the company, and part of the pitch is the roadshow video. Rather than settling for a basic recording of the CEO and CFO pitching the company, along with a boring slide deck, Allen says CMOs can help their companies stand out with a high-quality video that tells a compelling and complete story to potential investors.

"The video is not just about the overall company positioning, but all the unique elements of the story," Allen says. "What's our unique process on the product side? What's our process within engineering? What's our people services approach? How can we bring our culture to life in this video? Nailing all of that, bringing all of that to life makes a big difference in your roadshow's success," she says.

Even though the IPO is primarily financial, Pergolino points out that not seizing on the marketing opportunity

it presents is a mistake. "This is a financial event, but you're going to watch 9% of your proceeds go to people outside of your company. This is a very expensive financial event. And if marketing does not match that, by leveraging it as a marketing event, you have not done your company good service."

Persson emphasizes the importance of remaining customer-centric, even through the excitement of the IPO. "There were very few people involved in the IPO in general, because it cannot be something that everyone directs their attention to. You have your business to run at the same time," She says. "Our number one core value as a company is putting our customers first. Everything we do is around that customer-centricity and making sure we are always solving our customers' data problems better than anyone else. So to have too many people involved in an IPO who don't need to be involved in it doesn't make sense."

## On the big day

In normal times, the IPO itself is an iconic event — with the company's executives ringing the bell to start trading, followed by a day of all eyes fixed on the ticker to see how trading goes on day one. But in the middle of a pandemic, an IPO looks a lot different.

Now, instead of sending a small group of company leaders to New York on the big day, everything happens virtually. And while that might seem like it would dampen the celebration, CMOs can also look at it as an opportunity to engage the entire company in the event. With information, engagement, and creativity, the pandemic version of an IPO turns into a way to elevate the employee experience and engage people who, in normal times, would have been bystanders.

## After the IPO

The IPO is just the beginning, of course. After the confetti drops and the excitement wears off, life and work go on. It's important for the CMO and the whole executive team to frame the event with some humility, says Dietrich. "This is just one campaign in the step of campaigns. The real thing is first quarter results, second quarter results. One year, two years."

Plus, she says, it's normal to feel a bit of a letdown after the IPO. After getting so much press in the lead up to the IPO and then during it, it's strange to feel like just a normal company again. "You're a small fish in a big pond now, not a unicorn that's so anticipated," she remembers. "You're just a tech company whose stock is down, and I think for any of us who've worked for high-growth tech, you know the highs are highs, but the lows are lows."

So preparing yourself — and your team — for the post-IPO period is important.

Another important way to support your team during the period after the IPO when employees are prohibited from trading stock is to host lunch-and-learns to help your employees understand what the IPO means for them from an investment perspective. "There are all sorts of sharks after you, before and after the IPO, that want to buy your stock," Dietrich warns. "How do we help women — diverse people especially, but really all the people on our team — learn to understand what this means and how they make use of this for their retirement and their future life?"

Aside from that, though, try not to fixate on the IPO. Don't obsess over stock price, which is out of your control, but instead keep your focus where it's always been as a CMO: on your market.

# THE POWER OF STORY, AND THE STORY OF POWER

Whether your ambition is to become a CEO or a board member — or if it's to take CMO'ing to the next level — we know that how you tell your story is paramount. As Anna Griffin told us, the stories we hear and the stories we tell shape our destiny.

And if anyone is qualified to rewrite our own personal stories, it's CMOs. But for some reason, telling our own stories is notoriously challenging for us. As retreat attendee Katherine Calvert said, "I find most marketers share my weakness: I can sell the heck out of anything and anyone but myself."

Part of the reason may be that women have a complicated relationship with power. In fact, in 1998 when retreat speaker Pattie Sellers interviewed women for Fortune's first Most Powerful Women list, she was met with massive resistance — from female CEOs and other top executives who didn't want to be described as powerful.

But over the years, Sellers has seen that resistance dissipate as more powerful women's stories have been told — and as their stories inspire younger women to aspire and achieve. Now, as we're rewriting our stories to reflect our ambitions and our potential — as we both embody the role of Chief Market Officer and look to our "and beyond" — weaving our personal power into our stories is more important than ever.

"Power is what you make it," Sellers says. "When she finally got comfortable with power, Oprah told me, 'Power is the ability to impact with purpose.'" And many Empowered CMOs are using their power to do just that — using

the power they have personally and within their organizations to level the playing field for other women and underrepresented groups.

One of the ways is through mentoring. In last year's survey, we learned that nearly all Empowered CMOs are involved in empowering other women through mentoring, with 42% dedicating a day or more to mentoring per month.

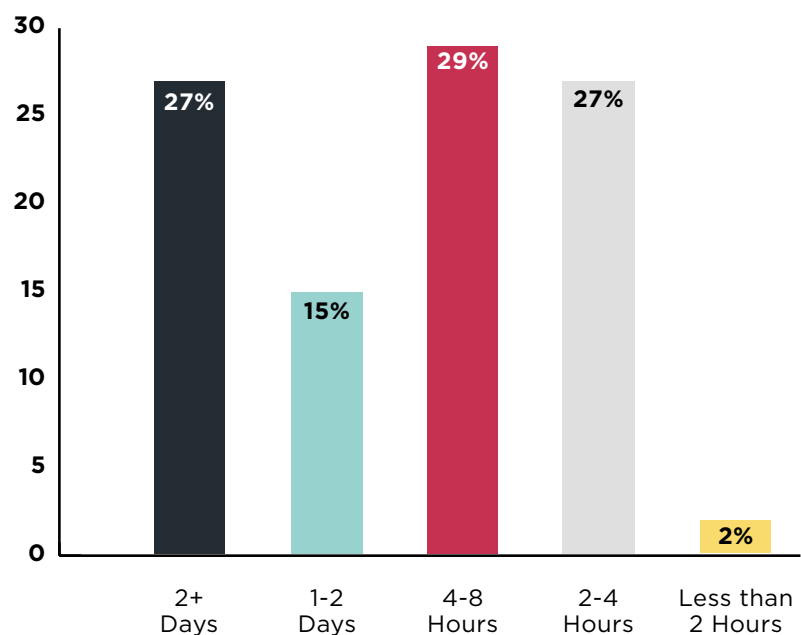
"I love to inspire and work with other women professionals. Nothing makes me happier," Dr. Debbie Qaqish, Principal & Chief Strategy Officer of the Pedowitz Group told me in a recent TalkingSense episode. "I love sharing those stories and those experiences and hearing what they have to say. Women helping women is incredible.

Rather than being competitors, we should be helping one another."

In the coming year, Empowered CMOs can continue to do the important work of expanding opportunities for other women and underrepresented groups by using their own personal power to, as Oprah says, "impact with purpose."

"You don't have to think of it as this huge mountain to climb," advises Hamilton. "It can just be in a meeting and hearing someone slightly less privileged than you trying to speak up and not being heard. You have the opportunity to be brave and say, 'Excuse me, I think she was trying to talk. I think she had something to say.' Because she, in her mind, is feeling less. Those small things added up create incredible change."

**HOW MUCH TIME DO YOU SPEND IN A MONTH EMPOWERING WOMEN WITHIN YOUR NETWORK AND TEAM?**





ARLAN  
HAMILTON

*Founder and Managing Partner, Backstage Capital*

“We can either let the circumstances dictate what we’re doing and how we react and say, ‘These 100 or so years that each of us get on this earth and this body, we’re just going to listen to what everybody else has preordained for us. And that’s what we’re going to do.’ Or, we can stop at any age at any point and say, ‘Wait a second, why?’”



# INVESTMENT AS AN EQUITY TOOL

As a group of women who are well-versed in the challenges of being underrepresented and underestimated in the places where decisions are made, Empowered CMOs are committed to lifting up other women and members of other underrepresented groups — not just because it's fair, but because it's smart business.

Arlan Hamilton, Founder and Managing Partner at Backstage Capital, joined the 2020 Empowered CMO retreat to talk about an essential way of doing that: By leveling the playing field when it comes to investment dollars. Nearly a decade ago, Hamilton — who came to VC from an unconventional background — noticed that the vast majority of the Silicon Valley companies that were being funded were run by white men. As a Black, gay woman, she saw all the business opportunities this structure left on the table. White men made up only about a third of the country, so why were they receiving nearly 90% of investment funding?

She thought to herself, “There are so many women who are doing things, there are so many Black people, Latinx people, LGBTQ people who are doing things. What if there were someone

who only invested in them?” What she envisioned wasn't a philanthropy — it was sharky, it was bullish, and it was for-profit. And it put her on a path that became her calling.

Hamilton founded and is managing partner of the very successful Backstage Capital, a venture capital firm dedicated to minimizing funding disparities in tech by investing in high-potential founders who are people of color, women, and/or LGBTQ.

What does “high-potential” mean to Hamilton? There's no magic formula, but when she's deciding whether or not to fund a company, these are some of the traits she looks for:

- **Some proof that people want what the company's offering.** Backstage invests in the pre-seed and seed stages, which is post-idea. So Hamilton expects to see some traction, whether it's revenue, customer use, or active and returning customers.
- **The X factor of the founder(s).** What kind of talent has the founding team been able to attract? There's a secret sauce that successful founders have.

- **An idea that isn't easily replicated.** Hamilton says that one metric she uses when evaluating a company is to ask whether it would take her 10 or more years to dominate the field. If the answer is yes, then that might be a company she'd like to invest in.
- **A vision of a world she wants to see.** “What do you want the world to look like in X number of years?” asks Hamilton. “And how can you wield your power that you have (whether you realize it or not)?”

## The confidence check

For underrepresented founders, an early investment can be the difference between crippling self-doubt and the confidence to move their ideas forward. These investments — “confidence checks” as Hamilton calls them — give the boost needed not just in that moment, but even as the company finds its footing and grows.

Hamilton talks about the confidence check she received from Susan Kimberlin in 2015 when she was living in an airport, trying to get Backstage Capital off the ground. Now, even



as she raises millions of dollars, Hamilton still thinks back to that initial investment. “I’ve talked to millionaires and billionaires, but I’ll never forget that time Holly Levow came in and gave us the first investment for Backstage Studio,” she says. “These things will never go away, no matter how many millions we raise in the future.”

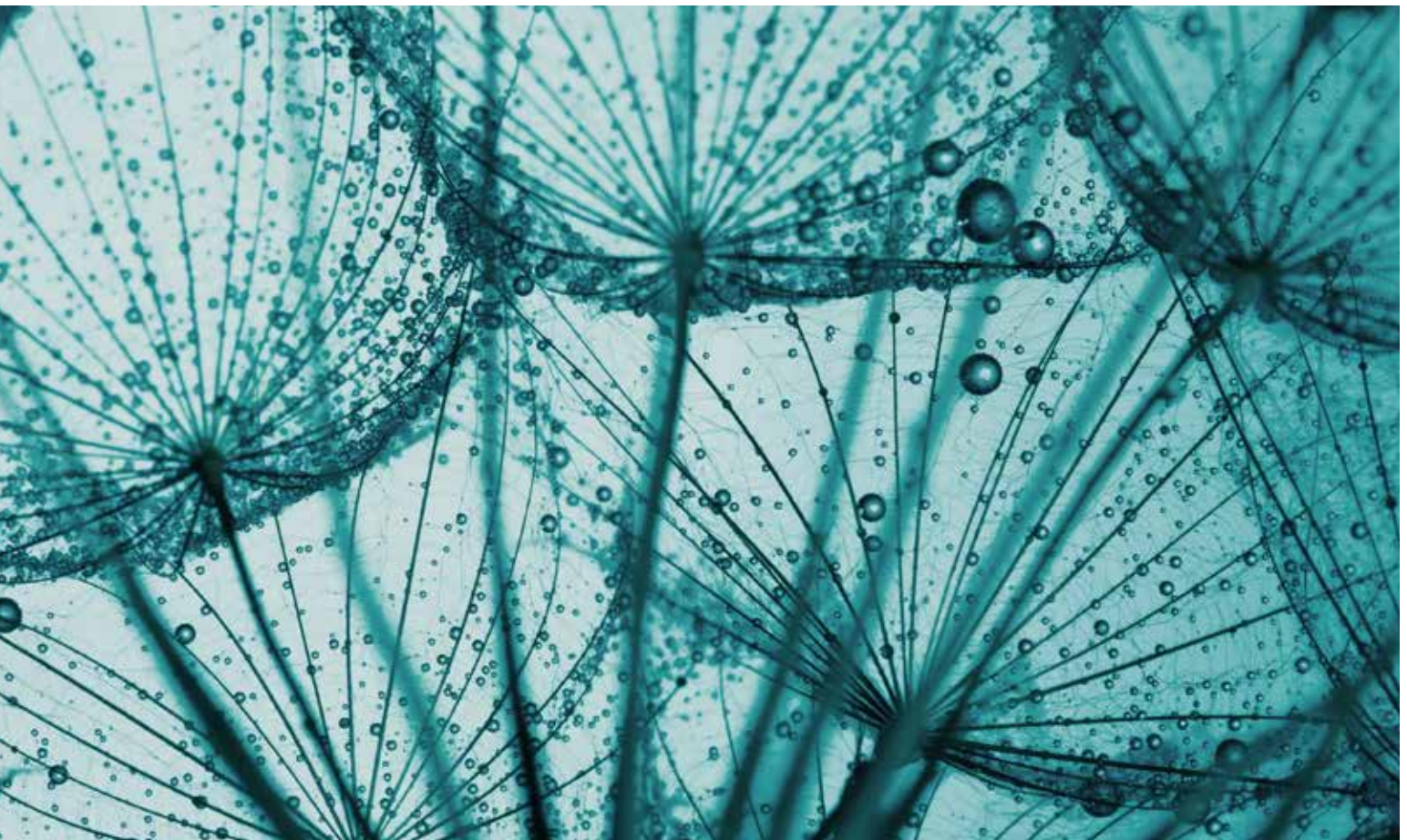
But even though early investments in underestimated founders can have a profound impact on the founders themselves, Hamilton emphasizes that this is not philanthropy — it’s smart business. And it’s about backing companies that promote the vision she has for the future of our world. Whether she’s funding companies that

can impact healthcare, sustainability, the climate crisis, or infrastructure, she’s also very focused on the company’s ability to be successful.

For accredited and non-accredited investors, Hamilton has started a syndicate, Backstage Crowd, that does all the vetting and showcases deals Backstage Capital is investing in. Syndicate members can invest smaller amounts and start to build or add to their portfolio.

For Hamilton, the decision to invest in underestimated founders comes back to the discussion of personal power, and recognizing that you have it — even if you sometimes feel like you don’t.

“I told the story of Susan Kimberlin being that first yes for Backstage. And that has yielded 150 companies invested in, about half a billion dollars raised on top of what we have invested by the ecosystem, and about 1,000 jobs created — all in a five-year period. She said yes at \$25,000. Imagine if she had thought herself to be not worthy of making such a decision. And what if she was worried about being wrong or stepping out. It almost makes me emotional thinking about what would have happened if she hadn’t done that. So I think not to be too self-helpy, but I think my ask, if I had one, would be to really work on yourself so that you can be strong for the ecosystem.”



# CONCLUSION

As Empowered CMOs come off of what was, for many, the most challenging year of their careers, we are perhaps even more empowered than ever. Adversity is often our greatest teacher, and this past year has been no exception. It has spurred us to grow in terms of agility, adaptability, strategic thinking, and empathy in ways we never could have envisioned pre-pandemic.

These new skills will carry us forward as we move from crisis response into recovery and renewal. We'll need to continue to call upon our fluidity to deal with uncertainty and volatility. Our strategic thinking will help us adapt and thrive in spite of shifting budgets, changing priorities, and redefined markets.

For many CMOs, the growth of the past year is inspiring them to consider what comes next. Whether your next move is an expanded CMO role, a CEO position, or a spot on a board, one thing is clear: Standing strong in your power and learning to tell your story well will be the foundation to growing into your "and beyond."

Whatever the next year brings, the Empowered CMO network will continue to serve as a source of learning, inspiration, mentorship, and connection. We'll continue to refine and redefine what it means to be a Chief *Market* Officer, so we can help lead our companies to grow through the challenges and opportunities that lie ahead.

