

Why most startup CMOs will fail

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Date : July 18, 2016



Venture capital investors, to a person, claim that they invest in teams, not product. Strong teams, they argue, can respond to changing market dynamics and pivot, if necessary, to the right product. For that reason they're actively involved in the interviewing and hiring of all executive team members.

Historically, in assembling this team, the **CMO** is one of the last hired. Which means that this final key hire should be the clearest fit with the company's charter and goals. So why, by the time these companies go to market and get serious about the selling process, are so many startups on their second — sometimes third — **CMO**?

The answer is twofold. First the requirements of the job are extremely broad. Even before Aileen Lee of Cowboy Ventures came up with the term “unicorn” to refer to startups with a billion-dollar valuation, recruiters were using this term to refer to **CMO** positions — as in “impossible to find.”

The ideal **CMO** today is a three-headed beast:

- **Head One is steeped in product** to the point that the **CMO** is welcome in engineering and product management discussions and is active in shaping the product roadmap.
- **Head Two is strong in traditional product marketing** — steeped in customer needs, technology integrations, trends and issues, and able to drill down on specific use cases or applications to help translate customer needs to product management/engineering.
- **Head Three is strong in both traditional “corporate marketing” and its derivative, “digital marketing,”** with its proliferation of tools, channels, content **marketing**, and metrics.

If there is a candidate out there equally proficient in all three areas, that person can write his or her own ticket — or they're well on their way to being a **CEO**. That means a founder and the board are forced to stack-rank their candidates by area of strength, which is another way of saying the candidate starts out with the perception that he/she is lacking in one or more key areas. The earlier the company is in its product development side, the more it skews its hiring to the product management part of the job, which will have major ramifications come launch — if not earlier.

The second reason we see quick turnover in the startup **CMO** role is that the go-to-market process is where a top early-stage **CMO** is weakest. While most VCs and founders rank go-to-market as the first major proving ground for a new **CMO**, it is a priority without a standard definition. Everyone uses the same term, but the expectations and deliverables are all over the place. At its most basic level, go-to-market is the plan for defining your company's target customer, building market awareness and sales preference for your product or service, and then devising the programs and tools that deliver the highest sales productivity and shortest time to revenue. The resulting go-to-market plan, therefore, is focused on all of those areas where your product management-centric **CMO** is weakest: a strong understanding of the sales process that results in a customer acquisition strategy that includes content **marketing**, demand generation, inbound **marketing**, and measurement.

With launch approaching, most product-centric **CMOs** are out of their depth. While that person may have two of those three heads, they're generally lacking in the third head — the corporate/**digital marketing** experience that will create strong analyst reaction, positive PR buzz, a website that drives sales, content that educates and compels the prospect, and a variety of sales tools to accelerate early sales.

With these considerations and limitations in mind, what kind of **CMO** should a **CEO** and VC hire? Even though corporate/**digital marketing** is the most critical skill in going to market, that skill set can be handled by virtual or outsourced resources. The best **CMO** is still product-oriented but needs to admit and compensate for what he/she doesn't know. It's far easier for a product person to pick up the basics of corporate/**digital marketing** than it is for the corporate **marketing** person to learn the product and technology in depth. So a self-aware product person — preferably one with a hunger to learn the other facets of **marketing** — is the right hire.

In hiring — and in managing the board's expectations — the **CEO** has to be mindful that, unlike sales or product, **marketing** truly is a multi-dimensional function, one that is getting more complicated by the day. Unless you find and hire that elusive unicorn, either the **CEO**, hiring VC or an outside consultant is going to need to coach and train the **CMO** until they are that three-headed beast that the job requires.

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This article first appeared in www.venturebeat.com