The Pandemic Has Created New Opportunities for Customer-Centric Leaders

How COVID-19 Has Affected the Moves of Chief Marketing Officers, Chief Digital Officers, Chief Customer Officers and Others Globally
Over the past year, the coronavirus has dramatically shaped the way consumers shop, leaders lead, and people - simply - live. The virus’ mass disruption has not just eclipsed other recent crises in size, but also in scope. It has forced companies to rethink their organizations on a global scale across business models, organizational structures, and roles that better activate for their customers. It has challenged leaders to evolve quicker, innovate faster, and cope resiliently. Despite these challenges, many organizations have found ways to thrive. Some were lucky enough to be in industries that quickly expanded, and others have demonstrated a unique and resilient type of leadership.

However, a deceptively simple question has emerged: What does this mean for companies going forward and how will they seek to adapt to the changing business landscape? As companies seek to better activate for their customers and strongly re-emerge from this crisis, all go-to-market functions need to adapt. Over the past seven years, Russell Reynolds Associates has been tracking publicly disclosed chief marketing officer appointments and departures across North America. This year we expanded our analysis to include all go-to-market roles globally, including chief customer, growth, revenue, experience and digital officers, and others. This has enabled us to better understand current trends and turnover of these executives.
Influx of new roles: As capabilities are broadening and becoming more complex, new role descriptions are being developed for additional go-to-market leadership positions. Over past six months, 17 percent of appointments were to newly created roles in a given organization, such as chief growth officer, chief customer officer, or chief revenue officer. As organizations seek to adapt to this new landscape, they must be prepared to make this shift to a customer-driven, digital world, and to realign leadership capabilities to meet the needs of today’s in-charge customer.

Percent of New Role by Sector

- 14% Technology
- 35% Professional Services
- 29% Not for Profit/Education
- 19% Consumer
- 20% Financial Services
- 18% Healthcare
- 19% Industrial and Natural Resources


Citigroup appoints Carla Hassan as CMO to lead newly merged marketing and branding unit

“Citi has appointed Chief Brand Officer Carla Hassan to the role of chief marketing officer. The move is part of a plan to unify the financial services company’s global marketing and branding organizations. The company is merging the marketing and branding organizations to streamline its messaging. In addition to her current responsibilities overseeing branding and sponsorships, Hassan will lead the global consumer banking’s marketing efforts and work closely with the institutional client’s group on marketing and sponsorship activities”

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As business-to-business (B2B) and business-to-business-to-consumer (B2B2C) companies seek to become more customer-centric, they are defining new roles to help expedite growth. From an industry standpoint, of their total placements, education and professional services hired someone into a newly created role 29 and 35 percent of the time, respectively. This was closely followed by the financial services (20 percent) and industrial & natural resources (19 percent) industries. Traditionally these industries are not in close proximity to the consumer and their day-to-day decisions depend less on consumer preferences. However, as COVID-19 has shown, consumer purchasing patterns are changing and they are more in charge of the purchasing funnel than ever. In order for these more traditional industries to evolve with the times, placing the right leadership in place is critical.

**New Role Breakdown by Role Title**

<table>
<thead>
<tr>
<th>Role Title</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chief customer officer</td>
<td>50%</td>
</tr>
<tr>
<td>Chief commercial officer</td>
<td>26%</td>
</tr>
<tr>
<td>Chief growth officer</td>
<td>23%</td>
</tr>
<tr>
<td>Head of marketing &amp; communications</td>
<td>21%</td>
</tr>
<tr>
<td>Chief marketing officer</td>
<td>19%</td>
</tr>
<tr>
<td>Chief revenue officer</td>
<td>16%</td>
</tr>
<tr>
<td>Chief digital officer</td>
<td>14%</td>
</tr>
<tr>
<td>Chief experience officer</td>
<td>8%</td>
</tr>
<tr>
<td>Chief product officer</td>
<td>8%</td>
</tr>
<tr>
<td>Chief sales officer</td>
<td>7%</td>
</tr>
<tr>
<td>Head of sales &amp; marketing</td>
<td>3%</td>
</tr>
</tbody>
</table>


In line with this sentiment, 50 percent of chief customer officer appointments over the last six months were to newly created roles (the other 50 percent were to replace current CCOs). This demonstrates the strong desire companies have to become more customer centric. While the responsibilities of a CCO can vary, they typically report into the CEO and are responsible for overseeing most touchpoints of the customer, including sales, marketing, call centers, user interfaces, fulfillment, and support. Having these checkpoints unified in one place is important as organizations think about how they can adapt to the changing landscape with the customer at the center of their strategy. Chief customer, chief commercial, chief revenue, and chief sales officers tend to have similar remits, however the nuances in titling point to the fact this is new territory for many companies and there is not a one-size-fit-all solution. Chief commercial officer appointments were pretty much evenly spread across the different sectors showing the indisputable need for organizations across industry to reposition for increased proximity to the customer.

**Mars Wrigley appoints Cathryn Sleight to chief growth officer**

“I’m delighted to expand Cathryn’s remit and bring together the critical core capabilities required to deliver category growth. She will continue to drive excellence in how we utilize our global reach, iconic brands and brilliant Associates to build the category and evolve how brands connect with consumers,” said Andrew Clarke, Mars Wrigley global president.”

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Internal vs. External Appointments

<table>
<thead>
<tr>
<th>Region</th>
<th>External</th>
<th>Internal</th>
</tr>
</thead>
<tbody>
<tr>
<td>North America</td>
<td>83%</td>
<td>17%</td>
</tr>
<tr>
<td>EMEA</td>
<td>78%</td>
<td>22%</td>
</tr>
<tr>
<td>APAC</td>
<td>84%</td>
<td>16%</td>
</tr>
<tr>
<td>LatAm</td>
<td>67%</td>
<td>33%</td>
</tr>
<tr>
<td>Global</td>
<td>82%</td>
<td>18%</td>
</tr>
</tbody>
</table>


**Predominantly external hires:** Across the globe 82 percent of customer centric leadership appointments were external hires. As digital transformation becomes a top priority for organizations, leaders are forced to not only have front-end capabilities but also the ability to understand data, analytics, and back-end systems more fluently. In turn, more companies looked externally for new talent who may have different perspectives or competencies. Of all the regions, Latin America has the highest percentage of internal hires (33 percent), perhaps due to cultural or ownership implications as opposed to strong internal development programs. Globally, of the executives appointed internally, the average tenure at the company prior to appointment was approximately seven years.

**Gender balance is low across all go-to-market roles except marketing:** The values of diversity, equality, and inclusion (DE&I) have risen to even greater prominence in consumers’ minds over the past six months and although regulations are being passed in the United States to encourage diversity, the rhetoric is a bit different than reality. Globally, 75 percent of the executives appointed were male, and although some functions have better track records this is an incredibly disappointing statistic. Chief sales and chief revenue officers had particularly low female appointments (9 percent and 8 percent, respectively). Additionally, among chief commercial officers, only 15 percent of appointees were female. If organizations want to elevate diversity and inclusion, which is now an expectation of customers and stakeholders, they need to start diversifying their hires and promotes.
### Gender Diversity by Role (Global)

<table>
<thead>
<tr>
<th>Role</th>
<th>Male</th>
<th>Female</th>
</tr>
</thead>
<tbody>
<tr>
<td>Marketing roles</td>
<td>55%</td>
<td>45%</td>
</tr>
<tr>
<td>Chief sales officer</td>
<td>91%</td>
<td>9%</td>
</tr>
<tr>
<td>Chief revenue officer</td>
<td>92%</td>
<td>8%</td>
</tr>
<tr>
<td>Chief product officer</td>
<td>83%</td>
<td>17%</td>
</tr>
<tr>
<td>Chief growth officer</td>
<td>75%</td>
<td>25%</td>
</tr>
<tr>
<td>Chief experience officer</td>
<td>62%</td>
<td>38%</td>
</tr>
<tr>
<td>Chief digital officer</td>
<td>81%</td>
<td>19%</td>
</tr>
<tr>
<td>Chief customer officer</td>
<td>67%</td>
<td>36%</td>
</tr>
<tr>
<td>Chief commercial officer</td>
<td>85%</td>
<td>15%</td>
</tr>
</tbody>
</table>


### Gender Diversity by Region

<table>
<thead>
<tr>
<th>Region</th>
<th>Male</th>
<th>Female</th>
</tr>
</thead>
<tbody>
<tr>
<td>North America</td>
<td>73%</td>
<td>27%</td>
</tr>
<tr>
<td>EMEA</td>
<td>80%</td>
<td>20%</td>
</tr>
<tr>
<td>APAC</td>
<td>80%</td>
<td>20%</td>
</tr>
<tr>
<td>LatAm</td>
<td>67%</td>
<td>33%</td>
</tr>
<tr>
<td>Global</td>
<td>75%</td>
<td>25%</td>
</tr>
</tbody>
</table>


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**Prudential names Susan Somersille Johnson as chief marketing officer**

“Susan is a transformational leader with the vision and experience to build on the brand equity that a storied company like Prudential already enjoys,” said Charles Lowrey, chairman and CEO of Prudential Financial. “We’re excited to see how Susan brings to life Prudential’s purpose, expertise and products for more people across the U.S. and around the world.”
North America:

Industry Breakdown of Moves

Technology hires driving the market: Technology companies accounted for 38 percent of all go-to-market job moves across North America. As the demand for integrated technology permeates the market, technology companies have played an integral and critical role in COVID-19 response. In order for more traditional organizations to become more customer-centric, they have needed the right leadership to keep up with the pace of growth. Interestingly, the sector’s appointments were made primarily up of marketing officers (33 percent) and chief revenue officers (32 percent).


Apple appoints Greg Joswiak as head of marketing

Longtime marketing chief Phil Schiller is leaving his role as senior vice president of worldwide marketing, and Greg Joswiak, previously the head of product marketing, will take over Schiller’s former position as Apple’s overall marketing leader.

“The marketing division is responsible for Apple’s product management and product marketing, developer relations, market research, business management, as well as education, enterprise, and international marketing.”

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Consumer companies focus on marketing: Although the consumer industry accounted for the second largest proportion of appointments across North America (26 percent), 46 percent of moves in the sector were chief marketing officers. Consumer companies understand that an inability to meet customers with the right products at the right times will hinder sales. In turn, the first step is getting customers back into their stores safely and comfortably - which takes creative and strategic marketing. This has translated into an investment in new marketing talent.

Traditional industries are starting to evolve: In contrast to the consumer and technology industries, financial services, healthcare, and industrial services have typically followed a more traditional approach to customer interaction. Regardless of whether it was because regulations prevent organizations from getting creative or the culture of the companies prohibited it, we have seen a recent shift in their efforts. For example, 28 percent of appointments within industrial & natural resource companies were chief growth officers. This notoriously traditional industry is reimagining the business and putting the customer at the center of their strategy realizing that it can be a major differentiator against their competitors.
Across all roles, organizations continue to look externally for go-to-market talent (83 percent in North America vs. 82 percent globally).

**Internal vs. External (by Role)**

<table>
<thead>
<tr>
<th>Role</th>
<th>External</th>
<th>Internal</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chief commercial officer</td>
<td>87%</td>
<td>13%</td>
</tr>
<tr>
<td>Chief customer officer</td>
<td>77%</td>
<td>23%</td>
</tr>
<tr>
<td>Chief digital officer</td>
<td>83%</td>
<td>17%</td>
</tr>
<tr>
<td>Chief experience officer</td>
<td>75%</td>
<td>25%</td>
</tr>
<tr>
<td>Chief growth officer</td>
<td>84%</td>
<td>16%</td>
</tr>
<tr>
<td>Chief marketing officer</td>
<td>84%</td>
<td>16%</td>
</tr>
<tr>
<td>Chief product officer</td>
<td>90%</td>
<td>10%</td>
</tr>
<tr>
<td>Chief revenue officer</td>
<td>81%</td>
<td>19%</td>
</tr>
<tr>
<td>Chief sales officer</td>
<td>83%</td>
<td>17%</td>
</tr>
<tr>
<td>Head of marketing &amp; communications</td>
<td>100%</td>
<td></td>
</tr>
<tr>
<td>Head of sales &amp; marketing</td>
<td>65%</td>
<td>35%</td>
</tr>
<tr>
<td>Total</td>
<td>83%</td>
<td>17%</td>
</tr>
</tbody>
</table>

**Source:** Russell Reynolds Associates analysis of CAG Leaders (n=1041). 2020.

**CMO succession crisis persists:** With 84 percent of CMOs hired externally, a five percentage point increase from the previous six months, the CMO succession crisis remains a major issue for marketers across all industries. Due to the uncertainty permeating the market and unpredictable hiring freezes, more executives were looking inside their organizations for step-up candidates and high potential marketers in the previous quarter. However, as we start to emerge from the crisis, organizations need new talent and new perspectives - for example, digital experts - to stay competitive. Companies are prioritizing candidate competencies versus industry experience which has in turn translated to a peak in external hires.

"Toulemonde built a customer-centric organization with digital and data at the core of marketing, medical engagement and sales. All digital channels - e-boutiques, e-retailers and pure e-commerce players - accelerated in sales growth under his leadership. The division’s acquisition in 2017 of CeraVe also experienced growth under Toulemonde’s direction.""
Heads of sales and marketing have the highest percent of internal hires: Although organizations are looking externally for CMOs, they are looking internally for heads of sales and marketing 35 percent of the time. This may be more of a check-the-box approach from organizations not willing to invest in separate roles. More often than not this happened in B2B or B2B2C industries where the proximity to the customer is less, and the idea of customer-centricity is still evolving.

Cross-sector Appointments

![Cross-sector Appointments Chart]


Tech hiring tech: Although technology companies primarily hire from outside their organization (86 percent), 78 percent of the time they are from the same industry. COVID-19 has turned all companies into technology companies as it made organizations reprioritize digital and its relationship to the customers. Now, technology leaders are in higher demand than ever due to their applicable skillset and industry proficiency. Only 22 percent of the time did external hires come from a non-technology organization, indicating a true “revolving door” for tech go-to-market leaders.
Healthcare, industrial, and financial services also stay with what they know: In general, healthcare companies have been increasingly looking for go-to-market leadership outside of the organization (92 percent). However, like technology companies, healthcare tends to hire within their industry the majority of the time (74 percent). These organizations are looking for leaders with industry-specific expertise and do not have the time to engage with external talent as they seek to keep up with business. Similarly, the industrial & natural resources and financial services industries hired externally 77 percent and 81 percent of the time, respectively. With increased volatility and uncertainty, many organizations are playing it safe and avoiding leaders with a more diverse range of industry experiences.

As far as internal appointments, the average tenure within an organization prior to promotion was 6.7 years. Those promoted from within (14 percent) are getting promoted quickly, either because of increased vacancies or more sophisticated internal development programs.
Gender Balance

Although COVID-19 has been the defining narrative of 2020, it has not been the only significant theme of the year. Conversations around racial injustice have been a prevalent and important topic across the business landscape, impacting how companies think about development, performance, and hiring. For example, in some states, regulations exist that require a specified number of women on company boards. While it is encouraging that diversity is being prioritized at the top, it has not resulted in increasingly gender diverse senior go-to-market leaders: only 27 percent of appointments across North America were female.

Coty Appoints Isabelle Bonfanti as chief commercial officer, and Jean-Denis Mariani in the newly created role as chief digital officer

“I am delighted to announce the appointments of Isabelle and Jean-Denis. I have followed Isabelle’s career closely over the years and am very impressed with her skillset and deeply strategic approach. Her track record of successfully developing make-up and skincare brands, particularly in Asia, makes her a perfect fit for this role.”

“Jean-Denis is also a perfect fit for Coty. One of the many seismic changes to our industry has been the meteoric rise of digital and e-commerce. Coty is now making strides in developing a digital offering that is truly best in class. Jean-Denis’ brand-building expertise and track record of success across the world makes him a fantastic addition to our executive leadership team.”
Marketers have higher gender diversity: While still the minority in go-to-market roles, the gender balance of marketers tipped heavier towards female. Across North America, 45 percent of marketing leaders appointed were female, a 5 percentage point drop from the previous six months. For example, in healthcare, where only 21 percent of all appointments were female, 43 percent of the CMO appointments were. Although it is promising that the balance is starting to reach equilibrium in these instances, marketing seems to be one of the few areas where the rhetoric matches the reality. It is unclear if this is a short-term response to stakeholder pressure, or an integrated long-term strategy.

Sales roles are the diversity laggard of the group: Unlike marketing, commercial and sales leaders skewed heavily male. Across the region, 92 percent of chief revenue officers, 86 percent of chief commercial officers, and 84 percent of chief sales officers appointed were male. Interestingly, although marketers lead in gender diversity, 76 percent of heads of sales and marketing were male. Men typically dominate the sales function and even if marketing is in the title, the position is not reflective of the diversity we see across other marketing roles.

The past year has sparked a renewed sense of social purpose across North America. Customers are choosing businesses that do not just preach diversity, equity, & inclusion, but practice it. Investing in DE&I is not a one-time effort, but something that needs to be rooted in a holistic mission that starts with leadership. In promoting DE&I, nearly every organization is catering to more diverse customers who have a much broader set of needs, habits, traditions, and values.

COVID-19 has challenged the way businesses think about their customers, their business plans, and their organizations. In order to fully activate for the customer, it is critical that organizations link these go-to-market roles with backend technologies. A more comprehensive and intertwined leadership structure is critical in aligning for today’s in charge consumer. To truly be a customer-centric organization, the customer needs to be embedded at all levels and functions, and the company must have an end-to-end focus on the customer. Getting the right go-to-market leadership in position is the first step, but as new roles emerge, and the customer becomes more sophisticated it is important for organizations to continue to be many steps ahead. With a unique perspective on customer demands and behaviors, these go-to-market leaders must act as the cross-functional “glue” and lead customer experience initiatives across the broader organization. This has not just broadened the talent pool but also the competencies required for organizations to perform at a competitive level and reach projected growth goals. As these customer activation leaders seek to adapt to this new landscape, they must be prepared to make this shift to a customer-driven, digital world.
Methodology:

We tracked and analyzed 1,041 moves across North America (751), Europe, Middle East, and Africa (183); Asia Pacific (86); and Latin America (21). Data was compiled via English-language searches in Factiva and may underreport announcements in EMEA, APAC, and Latin America if they were only made in local languages or not captured by Factiva. The roles consisted of chief commercial officer, chief customer officer, chief digital officer, chief experience officer, chief growth officer, chief marketing officer, chief product officer, chief revenue officer, chief sales officer, head of marketing & communications, and head of sales & marketing - encompassing all the senior go-to-market leaders within their respective functions. The bulk of the roles were made up chief marketing officer appointments (34 percent), followed by chief revenue officers (17 percent), chief commercial officers (13 percent), and chief sales officers (11 percent). We used local language search tools to collate our research, combined with functional keyword searches in English language. We attribute the fact that there are more moves in North America to the fact that there are less publicly announced leadership changes outside North America, the United States specifically, and the sheer weight of companies headquartered in the United States contributed to the most senior go to market leadership appointments occurring in the country. In total we captured 290 international moves and 751 North America moves which is representative of the data available.
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References


About Russell Reynolds Associates

Russell Reynolds Associates is a global leadership advisory and search firm. Our 470+ consultants in 46 offices work with public, private and nonprofit organizations across all industries and regions. We help our clients build teams of transformational leaders who can meet today’s challenges and anticipate the digital, economic and political trends that are reshaping the global business environment. From helping boards with their structure, culture and effectiveness to identifying, assessing and defining the best leadership for organizations, our teams bring their decades of expertise to help clients address their most complex leadership issues. We exist to improve the way the world is led.

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