

# Marketing Thought Leaders

A playbook for leading your company to future success

## Revenue Rockstars: CMOs Take On Revenue Generation

by [Nancy Pekala](#)

Corporate America is getting serious about revenue generation. As a result, a fundamental shift is occurring in marketing departments throughout every type of organizations. No longer does revenue generation belong exclusively to sales. A new responsibility is being added to CMOs' job descriptions: revenue marketing.

In an exclusive interview with [Marketing Thought Leaders](#), Debbie Qaquish, Principal and Chief Revenue Marketing Officer for [The Pedowitz Group](#) and author of a new book, "*The Rise of the Revenue Marketer*," talks about what revenue marketing means and how it is impacting the role of marketing.



**Marketing Thought Leaders:** *In 2007, you coined the term "Revenue Marketing®" to describe marketers' role in driving revenue in their organizations. What prompted the need for that description and how has the marketer's role in driving revenue changed since then?*

**Debbie Qaquish:** In 2003, I saw my first marketing automation system. I bought and implemented it and I immediately saw the impact this technology could make on revenue. I remember sitting in a room, once the demo was done, thinking 'Yes, I'm going to buy this for marketing but what a huge impact this could have on sales.' Then my mind just began to spin with all the possibilities for how the role of marketing could change.

It was clear to me that this represented a new way to drive revenue. At that point, I really began to drive myself crazy trying to think of something to call this new thing. You couldn't call it marketing. When you think about marketing automation, marketing's a ridiculous term for a high-value solution that helps companies create revenue in all new ways. Around 2007, it finally occurred to me it was revenue marketers.

The need for such a definition was prompted by three changes. First, we've seen continued changes in buyer behavior. Second, we've had a recession and in a recession all kinds of things happen. Third, we've had really cool, fast technology emerge, including marketing automation systems. All of these three elements combined created an environment where marketers could have an impact on revenue.

For example, during a recession, when the money is rolling in, nobody cares. But when it dries up, that's when the executive team begins to take a long, hard look at how things are happening or how they're not happening. New ideas can be introduced and companies really began to take a look at brand new ways they can create revenue.

During the "[The Revenue Rockstar Tour](#)", I introduced a four-stage model called the *Journey to Revenue Marketing*. The first stage is traditional marketing which everyone is doing. The second stage focuses on lead generation which means you're using an email system which tens of thousands of companies are

also using. The third stage centers around becoming a demand generation marketer. You've purchased a marketing automation system, integrated it with CRM and are beginning to make an impact on revenue. The final stage is revenue marketing. The biggest difference between being a demand generation marketer and a revenue marketer is simply something we call RPS—repeatable, predictable and sustainable revenue.

Demand generation marketers can report on revenue impact they've made but revenue marketers can actually forecast the revenue impact they're going to have.

The journey from traditional marketer to lead generation marketer to demand generation marketer to revenue marketer over the last 2 or 3 years has become accelerated for many companies. There's been a significant change in the role of the marketer.

**MTL:** *Is this shift fundamentally changing the job description of CMOs today and will it require the development of a new breed of CMO in terms of skillset and expertise?*

**Qaquis:** The short answer is yes and yes. The role of the CMO, especially in today's B2B organizations, is something that drives me absolutely crazy. When you think about traditional CMOs, they have very traditional backgrounds. They've come up through marketing and they've gotten to a significant executive level in an organization based on traditional marketing.

It speaks to how we teach marketing in schools. We teach B2C marketing and product marketing in schools but nobody teaches B2B marketing in schools, it's just simply not there. So we have these CMOs who have been career marketing executives and are woefully, woefully unprepared. For many of them, it's hard to even think in terms of revenue. If you ask a CMO about his or her impact on revenue, they typically have some kind of variable compensation that's tied to overall company revenue but there is not a straight line from the CMO and his/her efforts to revenue.

When I looked at large corporations, what I began to see is an unsettling pattern of CMOs directing lower-level people to really talk about and engage in this discussion around revenue. This shift will require a new breed of CMO. We know the statistics. CMOs stay in their roles for less than two years and there is a reason for that. But you can't completely blame it on CMOs who have been traditionally trained to do traditional marketing and find themselves after a 20+ year career having to be part of a conversation that shows they can make a direct impact on revenue.

**MTL:** *Should the marketing department own the responsibility of revenue generation?*

**Qaquis:** Yes. The marketing department already owns part of the revenue responsibility. Marketing and sales are not two different functions, each passing information over a wall. It really is one smooth process. Demand generation is really the combined set of activities across both sales and marketing that accomplishes two things: 1) it moves high quality leads to the top of the funnel, and 2) it helps pull opportunities through the sales pipeline quicker.

Marketers consistently tell me, "I'm responsible for 75% of the pipeline", "I'm responsible for a large number of the opportunities that get created", and "I'm responsible for conversion rates from opportunity to close". Those are real metrics marketers are being held accountable for.

So should the marketing department own the responsibility of revenue generation? In a blended team, they absolutely should...and they are.

**MTL:** *How does adding the responsibility of "revenue generation" to a CMO's job description change how they perform their job day-to-day?*

**Qaquis:** CMOs need to re-org within their organization. Having a Vice President of Demand Generation or Vice President of Revenue Marketing reporting to the CMO is the first step. You can't ask a director-level person to create and drive the revenue discussion. You just simply can't silo this off as a

part of your organization. It really becomes endemic and needs to become part of the cultural fabric of an organization.

The other parts of the CMO's job don't go away, but they need to have a high-level person running the revenue show. This is going to be and is becoming a big organizational change, especially for larger organizations.

We're seeing the rise of marketing operations groups in a way that's very similar to what happened when sales went from spreadsheets to CRM. We now have marketing automation to help marketing run their business in a different way. So marketing operations is definitely coming into that.

It will be important for organizations to talk about how to organize, realign and re-skill so they can have a true revenue marketing capability within the company. The CMO today has to pay attention to this.

**MTL:** *Let's talk metrics for a moment. There are a lot of them out there, including those specifically associated with social media and customer engagement. Are there really a set of "metrics that matter" which will help CMOs quantify their contribution to the bottom line? If so, what are they?*

**Qaquis:** The whole notion of understanding social is incredibly important. You need to look at those metrics that help CMOs quantify their contribution to the bottom line. Marketing automation systems help provide organizations with reporting and forecasting capabilities. When you think about how a CMO is held accountable, clearly a part of that will still be in traditional marketing with customer and social engagement. The journey to revenue marketing includes metrics that matter and conversion strategies to make greater impact once the lead goes into the pipeline.

**MTL:** *Can you provide any examples of how a revenue marketing approach translates to execution of marketing campaigns?*

**Qaquis:** Instead of talking about institutional marketing campaigns, organizations need to start talking about revenue marketing campaigns. The reason for executing any campaign is to provide revenue. Whether it's email design and layout or content marketing, it's important to keep in mind the buyer's journey and creating a conversion that will be relevant. It's about the right time and the right message and creating an online and digital relationship.

**MTL:** *What are some of the biggest mistakes you see marketers making today when it comes to this area of revenue marketing and quantifying their contribution to the bottom line?*

**Qaquis:** One of the biggest mistakes marketers make when they begin this journey to revenue marketing is thinking it's about the technology. It's not. It really is about the people and the process. Once you begin this process, the role of marketing changes. Marketing's relationship with the company and with the sales team changes.

**MTL:** *What advice do you have for marketers who need to step it up when it comes to revenue marketing? Are there any quick wins?*

**Qaquis:** It's important to obtain executive commitment to the revenue marketing approach and understand that the role of marketing has changed. It's all about being on a revenue team. You can't do everything. If you have revenue responsibilities and someone wants you to do a trade show with zero returns, say no. At the end of the day, you have to be focused on revenue impact. Marketers need to start walking and talking like they're in sales.

[Nancy Pekala](#) is the AMA's Senior Director of Online Content. Be sure to continue the conversation about revenue marketing in the *Marketing Strategy Group* in [AMACONNECT™](#), the AMA's new online community. You can also follow the AMA on Twitter [@marketing\\_power](#).