

RIGHTSPEND

PROCUREMENT: THE INVALUABLE ALLY



A Complex Landscape

The Chief Marketing Officer (CMO) faces an increasingly lengthy list of challenges - navigating the Marketing supply chain, working with the subtleties and intricacies of AI, the introduction of new channels, customer touchpoints, and markets that are constantly changing and evolving in response to social, economic and political instability.

In this, 'the Age of Disruption', CMOs are expected to find their way through an array of obstacles that seem to change shape and direction at a moment's notice.

Whilst some of the challenges are new, CMOs also have to wrestle with legacy challenges such as changing customer behaviours, digital transformation, tightening budgets, proving value to Procurement, and navigating the fine line between short- and long-term goals.

This complex landscape forms the backdrop of the RightSpend Empowering CMOs report. We spoke to 500 Marketing decision-makers to understand how they are approaching these challenges and what plans they have for the future.

The report revealed not only how agile and innovative these approaches are but also the invaluable role that Marketing Procurement plays in enabling and empowering the CMO.



THE INVALUABLE ALLY

Marketing Procurement has long provided CMOs with the support and insights required to transform decision-making, optimise costs and enhance agency relationships. Whilst already resolving many of the challenges that have traditionally affected the dynamic, it is clear there is an opportunity to leverage data further to enhance the relationship.

A data-driven Procurement team is an unstoppable force and an invaluable ally for CMOs wanting to reduce pressure and better navigate complexity.

Marketing Procurement can fundamentally change the agency-cost narrative by taking a collaborative approach with an open dialogue that embeds transparency and trust into every interaction and connection.

Leveraging data and insights, Procurement ensures CMOs can fully appreciate every detail of agency costs across spend, media requirements, profit margins, employee salaries, agency location, and overheads.

Visibility allows for both Marketing and Procurement to map agency fees back to realistic benchmarks and ensure costs align, not only with global standards, but with business expectations.

Marketing Procurement can empower an enhanced connection with agencies based on a foundation of transparency and visibility into costs and expectations, building stronger relationships that further enhance innovation, creativity and growth.

Thanks to streamlined processes, targeted spend, improved benchmarking, and refined strategic planning, Procurement plays an invaluable role in removing the risks of misunderstanding in agency negotiations and ensures CMOs have the insights they need.

The dialogue has changed - from a combative dynamic to one that's mutually beneficial and based on clarity and shared objectives.

STREAMLINING AND MANAGING COSTS

The RightSpend report revealed many CMOs feel they're not always on top of streamlining and managing their marketing costs, impacting the ability to make the best savings.

The reasons why CMOs are not always on top of budgets include:

Too focused on growth and ROMI to be on top of streamlining costs **(50%)**

Don't have access to valid data and analytics needed to manage this effectively **(33%)**

A siloed organisation structure **(20%)**

It's a monumental task that takes up too much time and admin **(20%)**

That said, more than a third **(+33%)** of CMOs believe improved cost management would benefit them as it would identify growth opportunities, help Marketing work harder, and boost long-term agency partnership stability. Reinforcing the value Procurement can bring to the table and significantly changing how CMOs perceive the role.

Marketing departments want assistance with their cost management. Procurement are in a prime position to step in and deliver.

99% of the CMOs surveyed admitted to being under intense pressure to make every part of their budget work harder than ever. So, it's clear, now is the time for Procurement to use their influence and expertise to establish themselves as an integrated part of the Marketing process from start to finish, rather than only being invited into the conversation at the point of cost negotiations.

Marketing Procurement can work with CMOs to slice and dice costs, adapting working practices and strategies to improve on agency performance and enhance growth. The Marketing function is constantly evolving to ensure the brand achieves the desired results within the budgets it defines. Procurement can foster a symbiotic relationship providing rich support, advisory capabilities and insights.



OPTIMISING MARKETING SPEND

CMOs recognise the significance of their agency partnerships and want to expand these relationships to achieve results that benefit everyone. To do this, they need the right tools to extract value from their investments.

Marketing Procurement's role in helping CMOs better manage their spend cannot be understated. With collaboration, shared knowledge & understanding, both teams can optimise spend, and achieve shared success. Trusted procurement tools ensure the transparency gained into supplier costs and agency fees translates into cost savings across the board.

This sentiment is echoed in the RightSpend report, which found that **47%** of CMOs would feel more confident if they had tools to ensure cost data accuracy and consistency. A third (**33%**) would trust reliable benchmarks to make

informed decisions around resource allocation and budget management. A quarter (**25%**) said that independent support would help them better align with Finance, and **27%** believe it would help develop more strategic Marketing plans.

Procurement has the tools to fundamentally reshape decision-making thanks to their in-depth understanding of finance, purchasing metrics, and the brand's needs.

The RightSpend report found that **66%** of CMOs would use data-driven insights to maximise their spend and **67%** would partner with an external Procurement system if it would help them to benchmark, analyse and manage costs because the long-term savings would outweigh their investments.

When it comes to finding a balance between demanding KPIs and tightening budgets, CMOs are turning to Marketing Procurement for guidance.



DATA GOES BEYOND NUMBERS

Using a mixed dataset, CMOs can analyse data to gain clarity on the impact of planning and aligning campaigns and spending more carefully on brand strategy.

Support from Procurement ensures Marketing can analyse data over multiple markets to determine campaign efficiencies and use these insights to adapt plans and scale to meet strategic goals.

When agency selection is supported by benchmarking analysis, contracts and agreements are built on transparent and achievable foundations. Procurement can help to curate formidable agency rosters based on proven metrics that form part of contract negotiations.

The value for Marketing Procurement is the shift in narrative from simply procuring on cost savings to a relationship built on data, insights and metrics.

MARKETING + PROCUREMENT: THE POWERHOUSE

For CMOs, staying ahead means embracing data and innovative solutions that allow them to revolutionise how they navigate complexity. Marketing Procurement tools are proving to be exactly the support needed to manage approaches and marketing spend better.

Leveraging the insights offered by a data-driven Marketing Procurement team has become the equivalent of gaining a new lens to analyse the marketing landscape.

Using the right technology, Marketing Procurement can provide CMOs with the intricacies of their investments and deliver an unparalleled clarity.

“In essence, investing in a data-driven procurement platform isn’t just about technological adoption. It’s a fundamental shift in how CMOs approach their role. Moving from intuitive decision-making to strategic precision. Breaking free from the limitations of traditional methods, unlocking the potential of AI within procurement backed by proprietary data to drive innovation and ensure every dollar invested is maximised for impact and growth.

Transformative technology will ensure Marketing & Procurement are at the forefront of a new era - one where data is the compass guiding them toward unparalleled success.”

IAIN SEERS, CEO | RIGHTSPEND

Data-driven decision-making optimises outcomes, enhances strategic planning and demands transparency. As a result, Marketing becomes leaner and more focused with data and insights built on real-world and relevant results and metrics.

The insights within the RightSpend report highlight how important it is for Procurement and Marketing to collaborate closely with one another to achieve the best possible results.

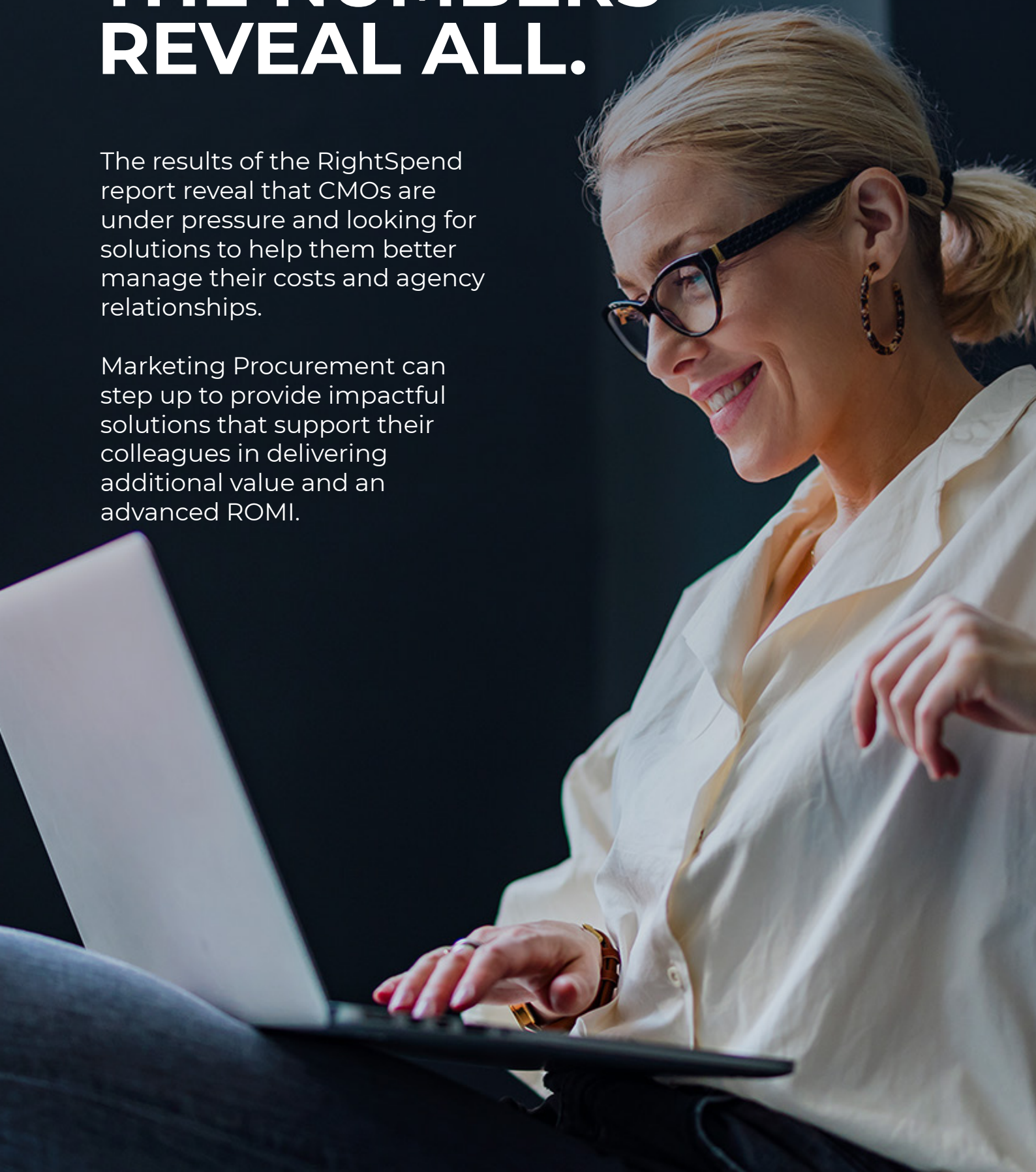
While the two teams have often had different objectives in the past, the goalposts have shifted over the years. Now, they have the opportunity to align their unique skillsets, expertise and understanding to become a powerhouse – maximising success and ROMI.

RIGHTSPEND

THE NUMBERS REVEAL ALL.

The results of the RightSpend report reveal that CMOs are under pressure and looking for solutions to help them better manage their costs and agency relationships.

Marketing Procurement can step up to provide impactful solutions that support their colleagues in delivering additional value and an advanced ROMI.



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89%

were concerned about meeting their Marketing objectives and KPIs within their allocated budget.

95%

believe that staying on top of agency investments is critical.

~50%

believe better understanding of how their external agency investments are being utilised would help grow relationships.

46%

believe data and insights will lead to more accurate and successful Marketing strategies.

33%

would trust reliable benchmarks to make informed decisions around resource allocation and budget management.

+33%

believe that improved cost management would benefit them.

47%

would feel more confident if they had tools that would ensure accuracy and consistency of cost data.

66%

would use data-driven insights to maximise their spend.

25%

said independent support would help them better align with finance.

27%

believe independent support would help develop more strategic Marketing plans.

67%

are willing to partner with an external system to help benchmark and manage costs.

99%

admit to being under intense pressure to make every part of their budget work harder than ever.

PROCUREMENT: EMPOWERING THE CMO

Marketing Procurement and the CMO sit at a crossroads. Both teams now have access to data and AI algorithms to improve decision-making, allocate resources where they are most impactful, optimise spend efficiencies and minimise waste.

Using data-driven insights and future AI processes ensures they pave the way for a profound shift in agency relationship management as these relationships are approached with quantitative insights to shape collaboration and build a foundation of shared objectives and measurable goals.

Using insights and data, Procurement are fostering an environment of trust and accountability. They can revitalise agency relationships and refine how they connect and collaborate. Procurement can support CMOs in managing their resources, budgets, and strategies – giving them insights and moving from intuitive decision-making to strategic precision that unlocks the potential of their roles and the reach of their budgets.

The RightSpend report underscores this shift and the invaluable connection between Marketing and Procurement in moving away from the limitations of traditional methods and unlocking the potential of data to drive innovation.