

THE SPARK

Sourcing and Procurement Flash Report

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MARKETING

Enabling Top-line Revenue Growth with Marketing Sourcing and Procurement



According to a recently published Gartner survey, 44% of Chief Marketing Officers faced significant mid-year budget cuts in 2020, and a majority of them don't expect a return to normal performance for 18-24 months. Some relatively good news from the survey: nearly 2/3 of them expect their channel budgets to increase in 2021.

Whether or not channel spend increases will return to pre-COVID levels, the pressure and scrutiny on every marketing dollar spent to perform will be unrelenting. With that said, the marketing sourcing and procurement team's understanding of the overall marketing strategy and the required supplier capabilities is more important than ever; not only to drive cost efficiencies, but also to ensure the marketing team is getting the right supplier they need to deliver on targeted objectives. The time has never been more critical for marketing sourcing and procurement to be engaged by organizations for what it is and can be: ***an essential part of the marketing strategy to drive profitable top-line growth.***

However, in many cases, real and perceived factors limit the impact that a highly-qualified marketing sourcing and procurement function can deliver. A few common concerns among CMOs can result in a reluctance to engage procurement teams as true partners:

- Overstepping their role and recommending strategy changes focused solely on savings
- Forced to use the lowest-cost provider, sacrificing capabilities, and making it even more challenging to deliver on targeted marketing goals
- Tunnel-vision on budget-cut cost reductions at the expense of driving top-line growth

These concerns can be compounded by the limitations of in-house marketing sourcing and procurement capabilities. While securing marketing procurement talent can be achieved in-house, the necessary market intelligence, supplier scale, and spending leverage that enables best-in-class buying is difficult to achieve on your own. It's a challenge that too often leaves procurement professionals and marketers in their own silos.

It's incumbent upon procurement teams to elevate their role and solve these challenges if they want to secure a seat at the table. And those most capable of doing so are procurement professionals who have a deep understanding of marketing strategy informed by years of hands-on marketing experience. These procurement stars can engage with the marketing team where they are, use their experience to earn the trust of CMOs, and achieve difference-making synergy among the two teams.



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We want to hear about your business challenges.

Contact thespark@logicsource.com to start the conversation.

