

**Webinar on the  
WARC Guide to  
Making the case to  
the C-Suite**



**Cathy Taylor**

US Commissioning Editor  
WARC Strategy



**WARC** | Strategy

# Making the case to the C-Suite

**How to prove  
marketing drives growth  
in uncertain times**

**The WARC Guide**

# What is **the job** of marketing?

It's actually two jobs – addressing two different groups of buyers. The larger majority of your buyers are out of market, and a smaller minority are in market.



**Five things  
every CMO  
should do  
now**



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# 1

## Lean into marketing's superpower

Marketing is closer to the customer than any other part of an organization. This "superpower" should be emphasized during uncertain times.

# 2

## Make the case for **maintaining spend**

This is a time when CMOs may be asked to cut budget, so build the case now for maintaining spend – or even increasing it. A growing body of evidence proves the case for marketing investment.

# 3

## Plug into the C-Suite agenda

Marketing metrics often don't connect to metrics that matter to the CEO and CFO. Become financially fluent to be able to align on metrics that show how marketing affects bottom-line objectives.

## 4

**Dispel  
marketing  
myths**

Dispel common myths about how advertising works, particularly with the CEO and CFO. These include the idea that equity-led advertising doesn't work in the short-term, and that ROAS creates a reliable picture of ad impact.

## 5

**Reframe  
what creative  
accomplishes**

Creativity is the biggest performance lever a marketer has, and that's an important reminder when budgets may be reduced. Great creative ideas can actually maximize the impact of marketing budgets.

There's a tendency to lean towards short-term marketing, because ... it's much easier to track the direct business result. But if you're **not doing a good job in the upper funnel**, you don't earn the right to close the deal to begin with.



**Ayo Canlas**

SharkNinja APAC

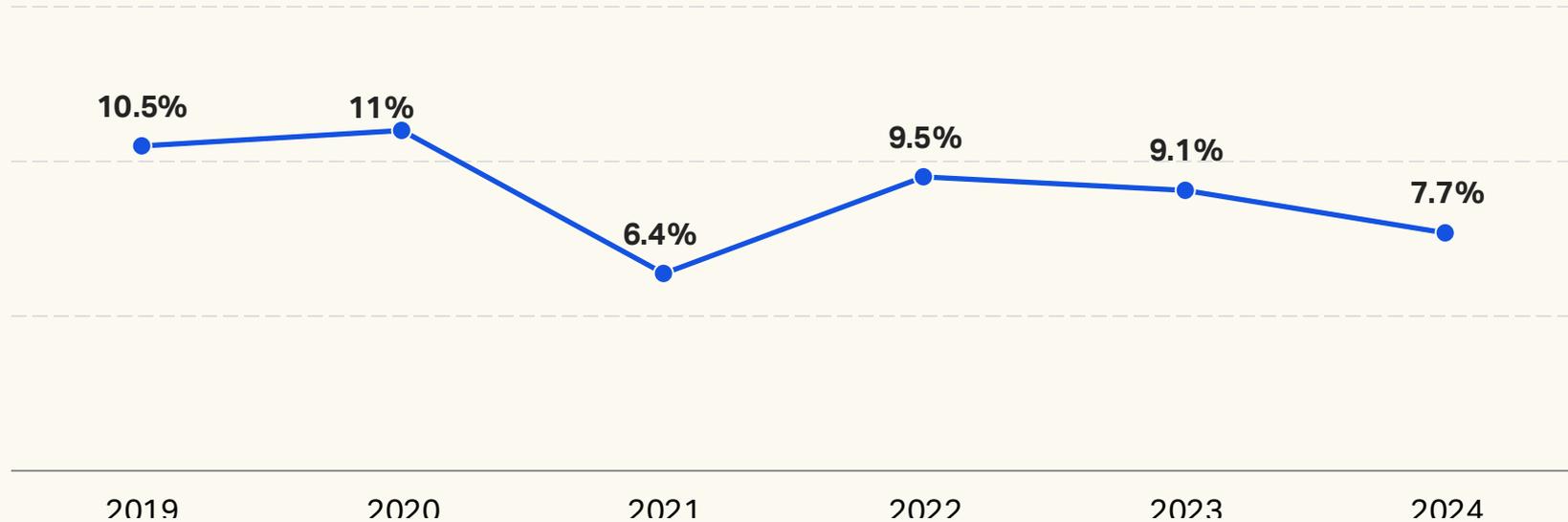
VP/ Finance, Strategy & Planning

# The state of play in the C-Suite



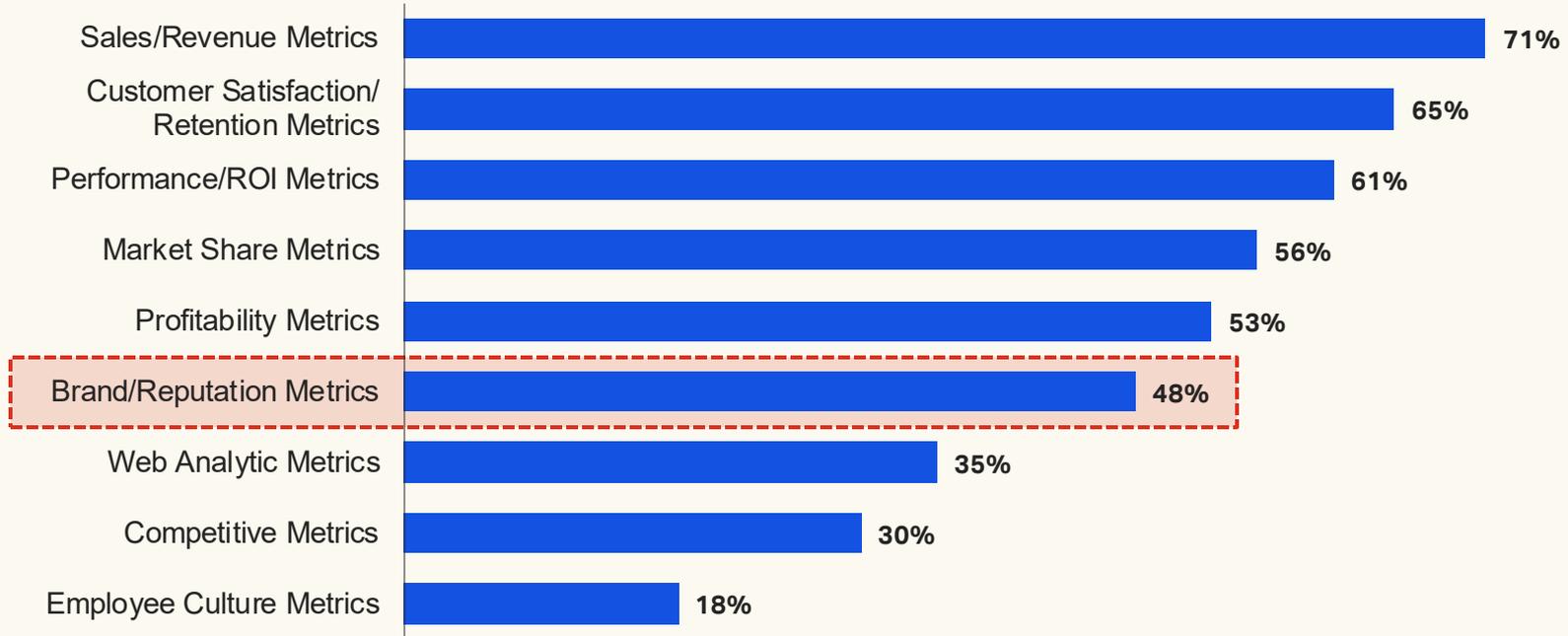
# Average ad budgets are falling

According to Gartner, marketing investment as a percentage of revenue has declined from 10.5% to 7.7%.



# Where CEOs want CMOs to focus

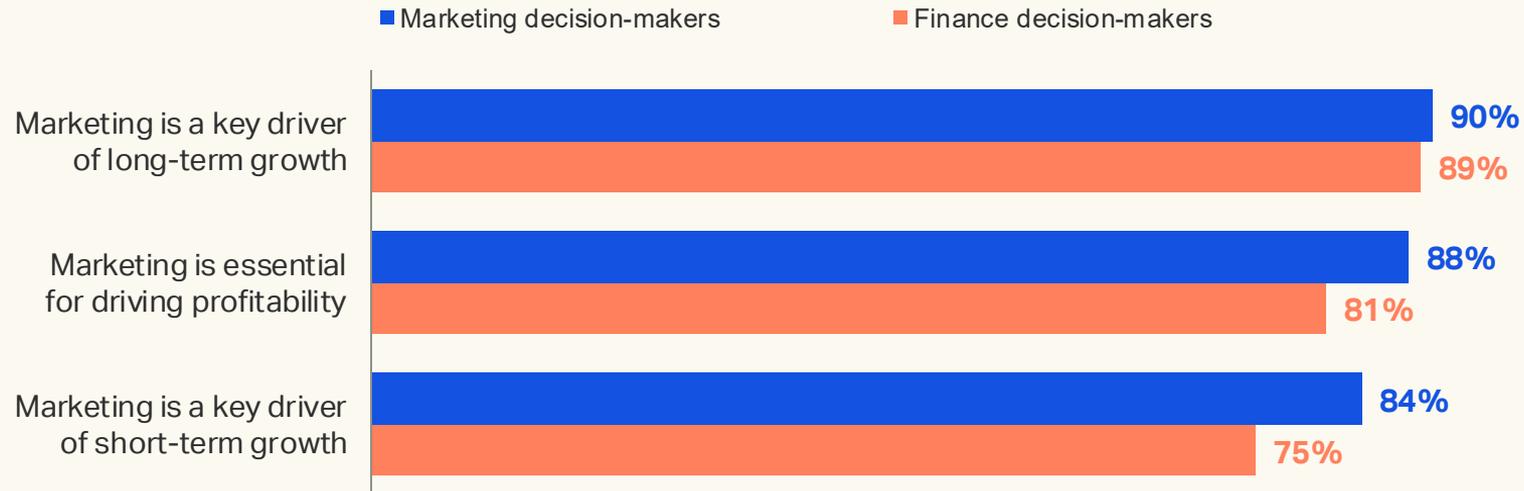
Survey from US agency Boathouse shows, the financial health of the business takes precedence



Source: Research on WARC, [The annual CEO study on marketing and the CMO](#), Boathouse, March 2025

# But there are areas of alignment

Finance leaders to believe advertising provides long-term benefit, per B2B research from Google, Project X Initiative and NewtonX.



With marketing, it depends on whether there's trust there. **If the trust is gone, then you become more of a controller, but until you get to that point, you're a business partner.**



**Kevin Yung**

Rosewood Hotel Group  
Chief Financial Officer



# How to speak the language of finance



# How to speak so the CEO and CFO will hear you

Just as it is with crafting language that speaks to consumers, CMOs need to know their internal audience

## DON'T SAY THIS

We want to put 50% of our budget into brand and connect with a new audience group at an emotional level.



## SAY THIS

To reach 5% margin objective we need to widen our customer base. Our awareness level among our new target segment does not match our competitors. The reach from this investment will help ensure we are in the consideration set of an extra 30% of our new customer segment target.

"The dashboard shows that customers clearly prefer contact by social media so we have increased the budget."



"Our modeling demonstrates the increases in NPS [Net Promoter Score] and customer effort scores seen from our investment in social have helped reduced churn by 1.0%. We have therefore reviewed our channel strategy."

"We are going to focus on two target audiences."



"Our greatest growth opportunity lies in two core customer segments."

# Ad speak needs translation

Choose words carefully to build bridges



**Source:** Research on WARC, [Marketing to the CFO: The Way back to VALUE for Marketers](#) The B2B Institute at LinkedIn, April 2021

Speak each other's language.  
Cultivate a culture of  
collaboration where **financial  
and marketing teams jointly  
develop metrics** that reflect both  
creative excellence and financial  
performance.



**Ian Borden**

McDonald's  
Chief Financial Officer



# Five marketing myths to dispel

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## Myth #1

**You can safely  
cut advertising  
during a  
recession**



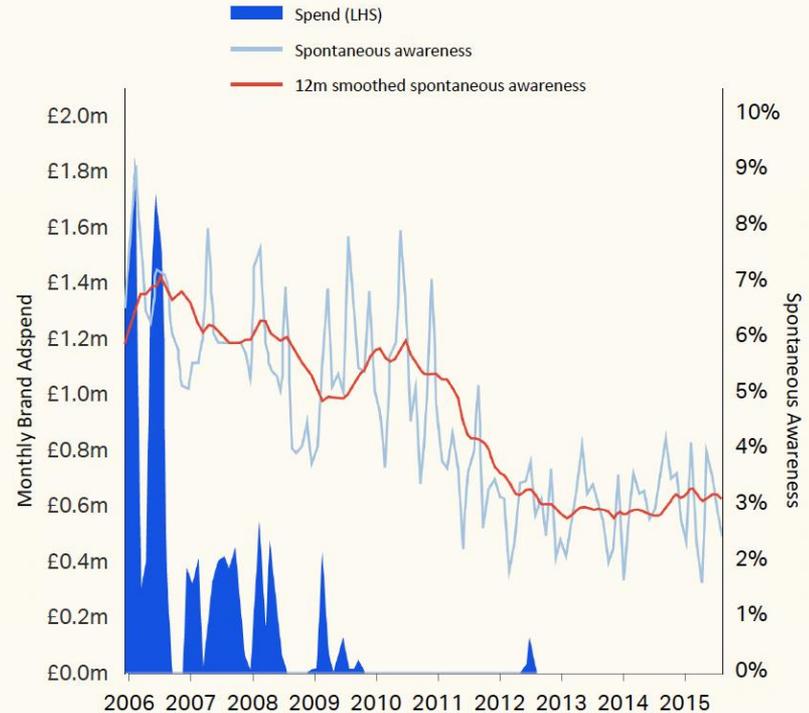
Per the ARF, less TV ad spend led to \$94 million loss in return for 11 of 15 brands

# What happens when you stop advertising?

## Or, how to make awareness fall off a cliff

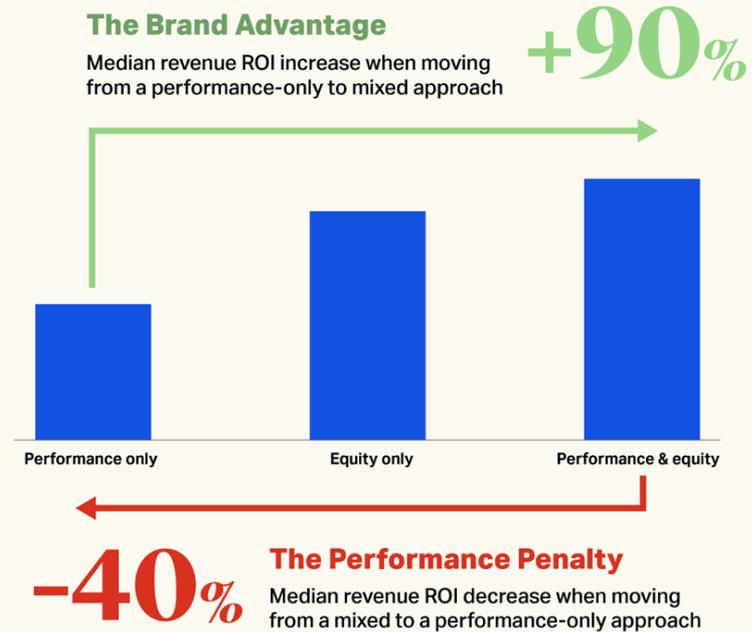
In 2006, the UK insurance company Direct Line Group repositioned its Privilege brand as a cheaper alternative. To price it well, it stopped brand advertising:

- It took some time for spontaneous awareness to decline but then it did steadily, taking two to three years to stabilize.
- During the ten years in which spend stopped, the brand's spontaneous awareness dropped by about half.
- Even when investment was greatly reduced between 2007 and 2009, it did seem to provide some 'maintenance' support to the brand.



## Myth #2

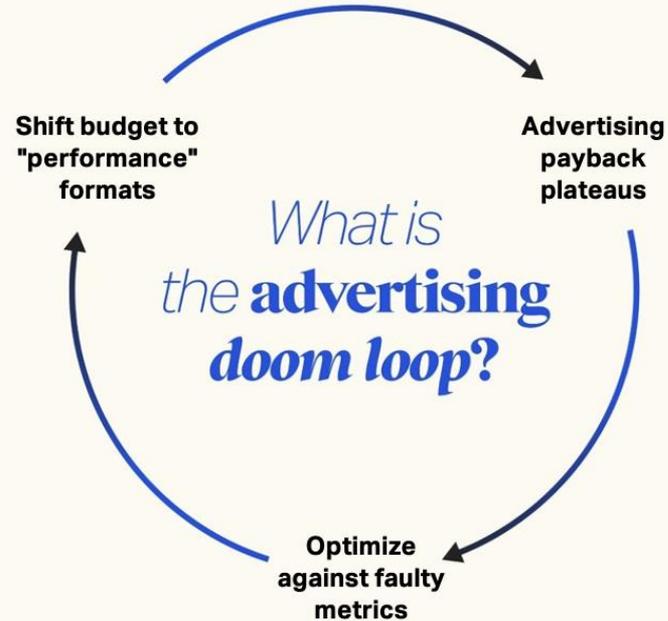
Equity-led  
advertising  
doesn't  
produce  
short-term  
effects



Data from Analytic Partners shows the greatest payback comes when performance-led and equity-led advertising are both part of the mix.

## Myth #3

# Optimizing return on ad spend is a silver bullet



The doom loop unravels success by optimizing against faulty metrics, torpedoing performance

## Myth #4

Measuring  
marketing  
by itself is  
enough

Marketing is directly responsible for

**10% to 50%**

of key business outcomes

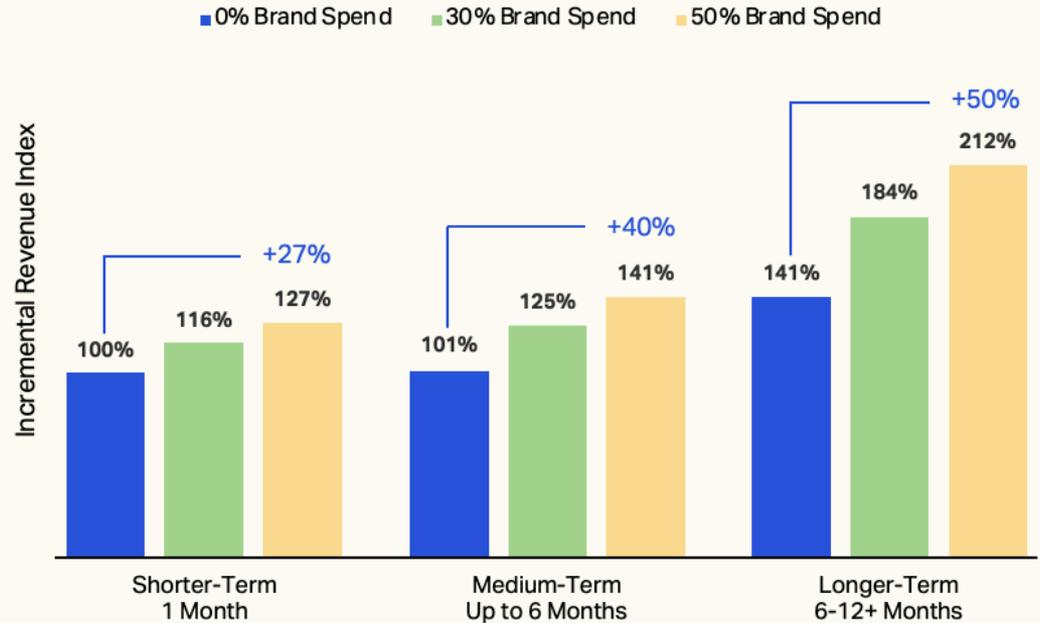
On average

**60%**

of business growth is driven by non-marketing factors

## Myth #5

**Marketing should be treated as a cost center**



Scaling equity-led investment increases incremental revenue driven by media in the short and long term

CMO TODAY

# E.l.f. Beauty Boosts Marketing Budget to 25% of Net Sales

The cosmetics company has ramped up spending for one simple reason: 'Our marketing investment is working'

*The Wall Street Journal, May 24, 2024*

# What happens when you invest in advertising?

## Lots and lots of sales

- In 2019, e.l.f. Beauty closed its bricks-and-mortar stores in favor of online sales and distribution in retailers. It took the money saved and **upped its marketing budget to 13% of net sales.**
- By 2024, it had net sales of \$321 million in the last quarter of its fiscal year, **a leap of 71% from a year earlier.**
- After seeing stellar results at 13%, **the company kept nudging the marketing allocation upward**, based on performance, to 16%, then more than 20%, and now to approximately 25%.
- Per *The Wall Street Journal*, "E.l.f.'s marketing **has benefited from a strong working relationship between its CFO and CMO.**"
- The brand has experienced **26 straight quarters of growth.**



“ [The CFO and I] knew we were going to need to invest in marketing to actually get the business to accelerate to another level and scale. We didn't know what the magic number was.



**Kory Marchisotto**

Chief Marketing Officer  
e.l.f. Beauty





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# The Multiplier Playbook

Turning the Multiplier Effect  
from theory to reality



Scan to access  
the sample report

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To get a version of the deck for this webinar, email me at  
[cathy.taylor@warc.com](mailto:cathy.taylor@warc.com)

And to get a sample copy of the APAC-focused Pace Principle,  
click [here](#).