A Creative Leader's Cheat **Sheet for Supporting Smart Bets**

Faced with a turbulent market and reduced resources, creative leaders are under more pressure than ever. So, how can they help their organization thrive, no matter the times?

Here's a cheat sheet to join the strategic conversation, including key terms, quick tips and questions to discuss with your CMO.

1. CONSIDER THE BUSINESS POSITION

Do you have a unicorn or camel mindset?



Unicorns value growth at all costs, cash burn and profitability notwithstanding.



Camels value sustainable growth, manage costs and prioritize profitability.

While camels may not be as flashy as unicorns, the current market calls for a return to more sustainable growth models.



It's time to ask yourself: Is your design organization sustainable?

Are you balancing cost reductions with growth investments?

88.2% of marketing and design professionals agree **investing in growth** in turbulent times gives companies an advantage over the competition.

Think about where it makes sense to invest your design dollars vs. where you could save costs through automation, outsourcing or better DesignOps.



What's your appetite for risk?

Depending on your company's position, leadership may have more or less appetite for risk. This is a question you'll want to discuss with your CMO before pitching new ideas or "bets."

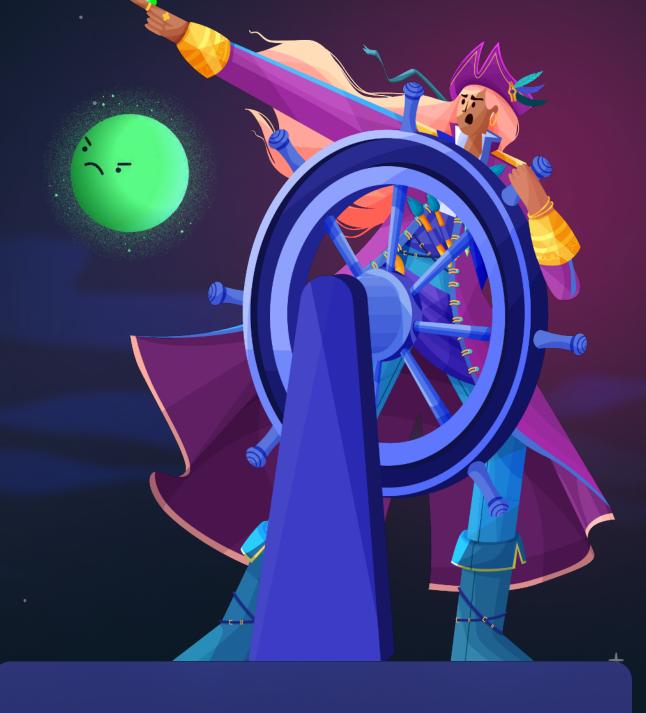


How antifragile is your design organization?

Antifragility is beyond resilience or robustness. The resilient resists shocks and stays the same; the antifragile gets better.

- NASSIM NICHOLAS TALEB





Consider the following questions to gauge the antifragility of your design organization:

How much "surface area" does your design team cover?

Research shows greater exposure or "surface" area" of designers across the business is more important for driving performance than any single organizational structure.



How aligned are team members to departmental and business goals?

Design performs best when it's a strategic function—a team of trusted advisors that understand business goals and contribute to decision-making.

How empowered are team members to make decisions?

The more decisions your team members can make, the faster your organization can execute, learn and iterate in a changeable market that demands agility.



key values for resilient teams

- Versatility and scrappiness
- Agility and speed to market
- Local decision-making
- Experimentation mindset
- Creativity (or boundless curiosity)

2. ALIGN ON THE BUSINESS NEEDS

What's your North Star Metric(s)?

Ask your CMO about your organization's North Star Metric(s)—the one or two topline metrics that represent the health of the business—and rally your team around these goals.



What input levers affect your North Star Metric(s)?

Input levers are metrics that have a tangible impact on your North Star Metric(s). For example, if your North Star is revenue growth, net dollar retention (NDR) is a lever your CMO may want to focus on in this market.

6 metrics to help you speak the same language as your CMO

PAYBACK PERIOD



How long it takes to recoup the cost of acquiring a customer. The shorter your payback period, the better your growth outlook and capital efficiency.

QUALITY OF REVENUE

B2B)

An assessment of revenue quality, considering use case fit, contract size and length, expansion potential and more. The better your quality of revenue, the higher your NDR will be.

RETURN ON AD SPENT (RoAS)

B2B)

B2C

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A measure of ROI on advertising. By paying attention to trends in RoAS, teams can identify where to take advantage of less competition given today's market.

NET DOLLAR RETENTION (NDR)

B2B)

A holistic view of customer retention, accounting for churn, contraction and expansion. The higher your NDR, the more secure your business position.

RULE OF 40

B2B) (



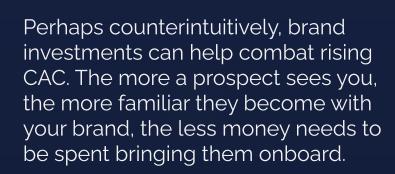
A rule that says a company's growth rate plus its profit margin should be higher than 40. By measuring growth and efficiency, this rule shows at what cost growth is being achieved.

CUSTOMER ACQUISITION COST (CAC)

B2B B2C

A measure of total customer acquisition costs. Tying actions back to revenue is especially important right now, and with CAC trending up, your CMO will be keeping a close eye on this metric.

Bonus tip: How to reduce CAC



Having an endless repository of strong brand assets is how many creative marketing teams bring down their CAC.

3. SUPPORT THE BUSINESS NEEDS

What GTM motions is your CMO investing in?

Understanding GTM motions and which ones your CMO wants to focus on will help you position your organization to support the right growth initiatives:

INBOUND-LED

Content marketing driving to conversion points.

PRODUCT-LED

Product drives adoption, usage and expansion.

COMMUNITY-LED

A community of customers accelerate adoption.

OUTBOUND-LED

Targeted account outreach to high-value prospects.

CHANNEL-LED

A network of distribution agents expand reach.

CATEGORY-LED

A transformative idea fuels the development of a category.

4. UNDERSTAND HOW TO MAKE SMART BETS

How much of your audience is in-market vs. out-of-market?



IN-MARKET

Problem aware and actively in consideration mode.



OUT-OF-MARKET

Exploring, keeping an eye on or unaware of the problem space.

Estimating the size of these groups helps marketers balance their efforts between demand creation (introducing a solution to consumers to drive pipeline and sales) and capture (attracting and converting those who are ready to buy).

For example, in a saturated space, your marketing team might focus on demand capture activities, like bottom-of-funnel advertising or content for buyer-intent keywords.

A framework for making smart bets



RISK

Is it a slam dunk, experiment or moonshot?



EFFICIENCY

What's the projected ROI?



IMPAC

What's the potential impact?

The REI framework is a tool to place smart bets while taking into account the bigger picture:

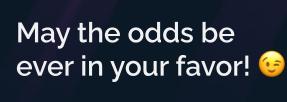
A company's position, including the appropriate level of risk, ROI and overall impact a program needs to deliver to be worthwhile given that position.

3 tips to fuel your experiments





3. **Consider fuel-pipe fit:** If an experiment flops, the problem may not be the content (fuel) or the channel (pipe), but how they fit together. Don't give up before considering FPF.



Read the full guide at: superside.com/guides/smart-bets

