



## ONE-ON-ONE WITH MICHELLE PELUSO SVP Digital Sales and Chief Marketing Officer, IBM



### IN-DEPTH LEADERSHIP INTERVIEW SERIES

Michelle Peluso is the SVP of digital sales and CMO at IBM, and a member of the ANA's Global Leadership Coalition on COVID-19, in partnership with WARC and Cannes Lions. She talks to Anna Hamill, senior editor of brands at WARC, about brand-building during a pandemic, Agile marketing teams, and creating new advertising from scratch in less than 10 days.

#### 1. How is IBM approaching the COVID-19 crisis from a marketing strategy perspective? What are you doing to respond now, and what are the next steps in your scenario planning?

First, we're thinking about our people: making sure they are safe and healthy, and rapidly adapting our Agile capabilities and tools to make this period work.

Secondly, we're thinking a lot about our clients. We've had to pivot hard toward the things that matter most. We came up with a whole new set of bundled offerings to address our clients' needs. Obviously, there are occasions for marketing and how IBM presents itself: things like supply chain resilience, engaging customers virtually, and working from home. Suddenly, a cloud setup matters a lot more right now.

Third, we're changing our pipeline and demand creation. That usually happens for us through events and web experiences — we do 6,000 events a year on average. We've had to really remake our thinking and accelerate our digital transformation, making sure we're offering desired end-to-end digital experiences for our clients.

Fourth thing is the brand. As you'd expect, we initially took our brand off all the channels which didn't make sense. But within two weeks, we were back on the air with new advertising, which we had created and built from scratch over a period of 10 days while working from home — a new ad campaign to be "in the moment."

#### 2. Many CMOS were looking to reinvest in brand building this year. Have you had to prioritize the short-term moves? Is brand-building a luxury right now, or is it something you can juggle?

One of the things we learned during 2008 financial crisis was the benefit of IBM being a 109-year-old brand. While a lot of other companies were pulling back from marketing, IBM launched its renowned campaign "Smarter Planet." It became a way to talk about what happens after the financial crisis, and what kind of world we want to build. That was very powerful for years to come.

I think, in a time of crisis, it's even more important to make sure that your brand has an authentic voice. It's a really critical time. We know, statistically, that it takes a lot to build a brand's relevance. But when your brand's voice is quiet, you lose it fast and it takes a lot more to regain it. There are a lot of things you have to do tactically, but I think it's a big mistake not to think about brand.

#### 3. Has IBM made any changes in regards to where you're spending your media budget, based on new consumer behaviors?

Absolutely. We normally advertise in places like building elevators and OOH. Some of those places don't make as much sense right now. The flipside is an increase in media consumption on digital platforms and in TV. So we've really shifted our media budget online, toward those offerings and places where we see growth — like supply chain resiliency and new cybersecurity risks when everyone works from home. We've been very nimble in media budget, above the line in our brand but also for the additional channels.

### LEADERSHIP TEAM

**ZAID AL-QASSAB**  
CMO at Channel 4

**DEAN ARAGON**  
CEO Shell Brands  
International and  
Global VP at Shell

**ALYSIA BORSA**  
EVP, Chief Marketing and  
Data Officer at Meredith

**FIONA CARTER**  
Chief Brand Officer  
at AT&T

**DAVID DANCER**  
CMO at Inspire

**NORMAN DEGREVE**  
CMO at CVS Health

**MATHILDE  
DELHOUME**  
Global Brand Officer  
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**MORGAN FLATLEY**  
U.S. CMO at McDonald's

**RICK GOMEZ**  
EVP and CMO at Target

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Chief Growth Officer  
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America at PepsiCo

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Global CMO at Facebook

**RAHUL MALHOTRA**  
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and Stewardship at Shell

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U.S. CMO at  
Anheuser-Busch

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Global CMO at GSK

**PEGGY FANG ROWE**  
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Experience at Marriott

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**LORRAINE TWOHILL**  
CMO at Google



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#### 4. We're using the word "unprecedented" over and over again, but this is obviously a situation in which so many of those old models and consumer behavioral insights don't apply anymore. How are you getting fresh consumer insights and acting on them quickly?

I think if you're not a flexible team, it becomes really hard. Everything we're pulling is multidisciplinary, and the data comes from multiple sources. You really want teams who can work together.

We've been looking a ton at digital demand trends, whether that's Google Keywords, social data, data we get from the effectiveness of the campaigns we run, or even IBM.com searches. We've seen a huge surge in quick demos and trials.

We've been spending a lot of our energy on Net Promoter Score — we collect over a million pieces of feedback from our clients each year. We actually added some questions about how IBM is showing up during this moment to get even richer insights directly from our clients.

#### 5. Many tech brands are thriving during this time as online services and digital tools become more important. How do you plan to capitalize on these opportunities, both in terms of what's coming through now and the consumer behaviors you think are going to change the nature of your category moving forward?

There's no doubt that so much of what's happening now gives us reason to think about the long term and how we emerge stronger. We call this the great "rethink," not necessarily a "restart." It's a great way to think in terms of "How does work get done? What work is prioritized by clients?" So we've been really focused on those questions.

IBM's clients are showing different needs. Many of them said "We have spent a lot of time and energy digitizing from the outside with a good mobile app and web experience. Now we've got to digitize the inside." How do we make our clients stronger and better? It's not a restart of the way things work, but it's a rethink of how things could be so we emerge stronger together.

#### 6. IBM turned around a new TV campaign in 10 days when everyone was working from home. What creative process changes did you make? How did you make it so quickly?

We spent a long time together looking at data and creative in this very intense "day one" process. It wasn't like a traditional brief. We were there with researchers, analysts, Google Search experts, and our offering teams. We put together things that matter for clients now with our creatives. We really dove in deep on day one. The team came back with some creative constructs and concepts by day three, and we iterated and spent a long time going through all of them. At the same time, in parallel, we had people working on music, editorial rights, and stock images because we couldn't go out and film.

We were on TV 10 days after we began the process. We just got some early testing back, and frankly it performed better than a lot of stuff we've done. It really showed us that under constraint, creative thinking can emerge.

## LOOK FOR ADDITIONAL IN-DEPTH REVIEWS FROM TOP CMOS

The Global CMO Leadership Coalition was developed by ANA in partnership with Cannes Lions and WARC New York.

Stay tuned for more one-on-one interviews from leading CMOs representing global brands like AB InBev, CVS, General Motors, McDonald's, Shell, Bank of America, Tencent, and others as they respond to the health crisis.

To learn more about how the Global CMO Leadership Coalition on COVID-19 is supporting chief marketers around the world, [click here](#).

