



THE HALLMARKS OF A
VISIONARY
MARKETER

What it takes to lead and grow a
marketing organization BY CHUCK KAPELKE



Are you a visionary marketer?

If you answered yes, you could be mistaken. That's one of the key findings of the ANA's State of Marketing Survey, which asked 150 marketers about the role of marketing in their organizations. While nearly 70 percent of respondents believe they are "visionaries" or "leaders" in their organizations, only about 54 percent demonstrate such hallmarks of leadership as regular collaboration with other top leaders. And when asked how marketing could reach its full potential, only 15 percent of respondents said a significant "personal change" was needed, while 57 percent said their organization would have to adjust.

Therein lies both the challenge and opportunity for today's top marketers: In an era when customers can broadcast their opinions for all the world to hear, the job of managing a company's public perception has become the responsibility of the entire organization. The problem is, too few senior marketers have successfully woven their work into corporate strategy and helped their CEOs and CFOs grasp the nature of this new landscape.

"There are a huge number of people who still are not on the same page as their CEOs



VIEWPOINT BY ZAIN RAJ

MARKETING'S DYNAMIC DUO

WE ALL KNOW the dynamics of the c-suite have changed during the past decade, especially the role of the CFO in this challenging economic environment. Perhaps the most positive change I've seen at Euro RSCG Discovery is stronger CFO-CMO collaboration.

CMOs typically come from an advertising background and may not be as focused on business objectives and the number-crunching world of the CFO. By viewing each other as partners, this dynamic duo can effectively improve any marketing program or initiative — but the partnership must begin long before budgets are finalized. In

fact, a CMO must make the CFO part of the marketing process. That way, the CMO can ensure that marketing efforts are on track and aligned with the goals of the CFO and the executive leadership team.

Because many CMOs make the mistake of getting caught up in the world of lofty creative awards and “buzz” rather than measurable, business-focused results, they should focus on being more strategic, accountable marketers. Advertising, in fact, should be evaluated by concrete financial measures such as ROI, market share, and changes in customer behavior.

CMOs should also work with their agency partners to capitalize on data and other variables to achieve campaign efficiency and maximum sales impact. Technology is a key factor in streamlining marketing processes and cutting investment costs while simultaneously fostering innovation in everything from creative development to media strategy.

Moreover, CMOs should use their agency partners to learn more about their customers and how to communicate with them directly, rather than rely on mass media to reach target audiences. The use of behavioral data can help CMOs find their best customers and communicate in a targeted, relevant way, resulting in a greater return on investment — and a happier c-suite.

Lastly, smart CMOs should move away from traditional advertising that drives acquisition to a more balanced, well-rounded, cost-effective marketing program. That means more emphasis on understanding and retaining existing customers and developing a deeper sense of brand loyalty.

With news that the recession has finally bottomed out, there is renewed hope that CMOs will soon have looser budgets with which to play. But that new marketing reality can be maximized only through CMO-CFO collaboration.

Zain Raj is CEO of Euro RSCG Discovery.

Technology is a key factor in streamlining marketing processes and cutting investment costs.

or senior managers,” says Michael Palmer, executive vice president of member relations for the ANA. “They are marketing and communications professionals, and that’s where their company has pegged them.”

The ANA survey was inspired by *The Shift: The Transformation of Today’s Marketers into Tomorrow’s Growth Leaders*, by Scott Davis, senior partner at Prophet, a Chicago-based strategic brand and marketing consultancy. Through interviews with leaders at Wal-Mart, Procter & Gamble, Hewlett-Packard, IBM, and dozens of other top marketing organizations, Davis identified a set of traits that have enabled a select group of “visionary marketers” to assume a more strategic role and work side by side with their CEOs in steering the ship. “These visionary marketers contribute to the growth agenda, they drive innovation, they see through a customer lens, and they have the respect of the organization,” Davis explains.

One such visionary is Beth Comstock, who has overseen a significant expansion of the marketing function as CMO of GE, based in Fairfield, Conn. “Early in the past decade, GE reinvigorated marketing, doubling the number of marketers around the globe,” she says. “The mission was to drive organic growth, using marketing as a lever to better target new markets, offerings, and trends. We’ve spent a good bit of time aligning marketing with sales, technology, and finance. Marketing is responsible for a portfolio of innovations and creating a process to fund ideas or kill the ones that don’t work. Annually, this adds \$2 billion to \$3 billion of new revenue.”

Another visionary marketer is Mark Samuels, senior vice president and chief marketing officer at Oaks, Pa.-based SEI. He not only created standards and processes for centralizing the marketing function across the multidivisional global investment services firm, but he also helped the company redefine itself as an innovator, as evidenced by its tagline, “New Ways, New Answers.” SEI now has “solutions teams” tasked with thinking about the company’s future, and a research and learning team that works closely with public relations to create an aura of expertise. “It’s a very long journey,” Samuels points out, “but when you talk to our people, you’ll see the brand reflected in them.”

“[These marketers] figured out a long time

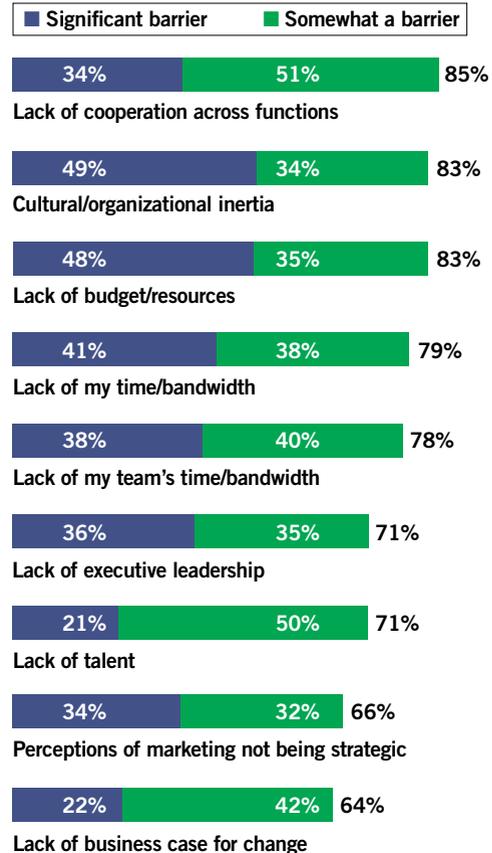
Shifts Required to Drive Business Success in Respondent's Firm

Base: Total Sample
N=(143)



Degree to Which Specified Items Represent a Barrier to Changing the Approach to Marketing in Respondent's Firm

Top-2-Box Ratings on 3-Point Scale Base: Total Sample
N=(143)



ago that marketing goes beyond promotion," Davis says. "They don't always reach for the advertising when growth is needed in the northeast corridor. They look at channel strategies, they look at offerings, they look at the service that's being provided, they look at pricing structures — they think much more broadly."

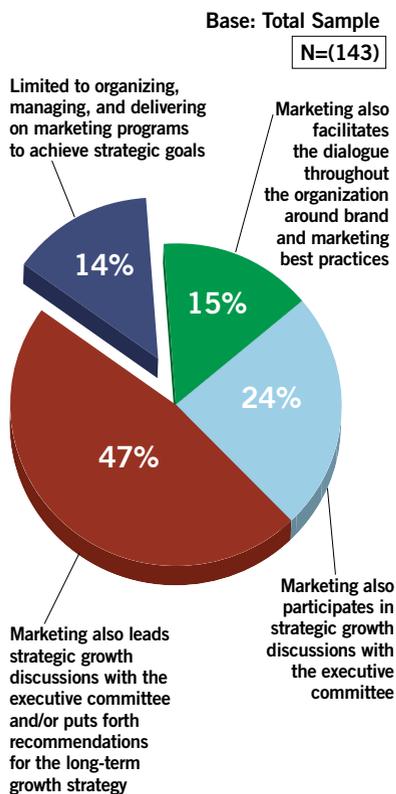
The good news is that once you've reached visionary status, the sky's the limit: about 27% of the marketers in the ANA survey who meet the criteria of "visionary" believe their next job title will be CEO, COO, CMO, or GM, compared to just 5 percent of nonvisionaries. "[Becoming a visionary] can have a huge payoff in long-term job satisfaction and personal fulfillment," Davis says.

Here are three important ways to turn your marketing division into an analytic insight machine that helps drive your company's growth and improvement.

1. Own the Customer

Organizations that embrace the new, visionary role of marketing tend to have one thing in common: a singular, all-encompassing focus on the customer. "It's the customer that's behind this shift, because their purchasing habits have changed, their access to information has changed, and they've become better-educated shoppers than they were 10 years ago," says Roger Adams, former CMO of Home Depot and Lord & Taylor. "Own the customer behavior and

How Respondent Believes Others in Firm View the Marketing Function



SOURCE: ANA/PROPHET, 2009

understand it better than anyone else in the company, and use that to drive growth ideas. Marketing is all about making that connection with the customer, and it is the one area that the CMO ought to have unqualified ownership of.”

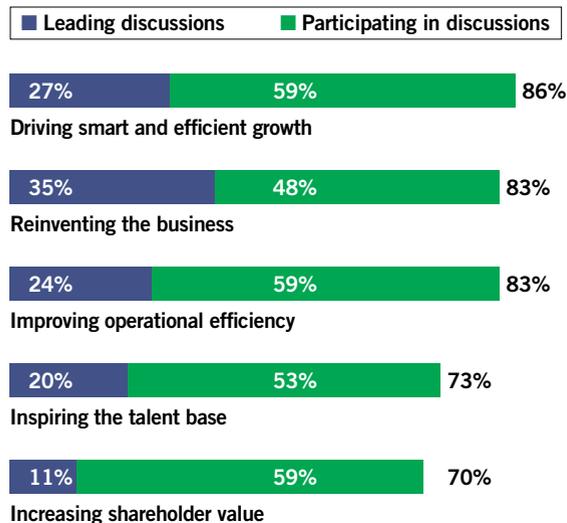
What you can do: Become better at gathering, slicing, and dicing customer data, and show the CEO and CFO that you have reliable and measurable methods for generating customer-related insights.

2. Work the Inside

Marketing has traditionally been an externally focused function, but visionary marketers also look inward for opportunities to improve. Here, too, a clear focus on customer satisfaction can

Involvement with Executive Committee Regarding Strategic Imperatives

Top-2-Box Ratings on 3-Point Scale Base: Total Sample N=(143)



help break down silos. “The conversation at the table should not be, do we need a forklift? Or do we need more salespeople? But how can we use our funds to build better relationships with our customers?” Palmer says.

It also helps to become knowledgeable about the company’s internal operations. Steven Smith, former CMO of St. Louis, Mo.–based Enterprise Holdings, says his experience beyond marketing has proved crucial. “I had a deep understanding of the car rental business because I had worked in it for 35 years,” Smith says. “I understood that there are young men and women somewhere washing a car in blazing heat or blinding cold, and I understood that they made my job possible. I get a sense

THE STATE OF MARKETING

The ANA’s State of Marketing Survey was designed to assess both marketers’ perceptions of their role in the organizations, and the reality, based on several behavioral indicators. The results confirmed many of the conclusions Scott Davis arrived at in researching *The Shift*. “The quantitative survey validated that there is a group of haves versus have-nots,” he says. “A lot of the have-nots are aspiring to get to the next level, but they’re stuck in this no-man’s-land.”

Based on the survey findings, visionary marketers are eight times more likely to be leading the strategic dialogue compared to nonvisionaries (89% vs. 11%); three times more likely to be leading discussions around reinventing the business (65% vs. 21%), and more likely to collaborate with the finance (60% vs. 22%) and operations functions (36% vs. 9%). Of the visionaries surveyed, 73% collaborated with other business unit or P&L leaders, 60% collaborated with the CEO and/or COO, and 31% collaborated with the CFO.

Among the barriers to achieving a higher role for marketing, respondents cited cultural inertia (22%), lack of resources to put against related efforts (17%), and resistance by executive leadership (16%).

— C.K.

HOW TO WORK WITH THE CFO

ONE OF THE MOST surprising findings from the ANA's State of Marketing Survey is that only 22 percent of "nonvisionary" marketers (rated as such based on their survey responses) collaborate closely with the finance function, compared to 60 percent of visionaries. A close relationship with finance is crucial in helping senior-level marketers become growth drivers. Following are some tips for working more closely with the CFO:

INVITE THEM IN. "Have someone from the finance team attend marketing staff meetings, so there's no hidden agenda, and there's a pipeline back to finance for weekly reporting of status," Roger Adams suggests. "It avoids problems and pitfalls by dealing with them openly and honestly in a staff meeting."

GIVE AND TAKE. A sense of humility is important in collaborating at the c-level. Make it clear that you don't claim to have all the answers. "If a marketer comes in with their own agenda, as opposed to an appropriate give-and-take, it'll be hard for them to succeed in making the shift," Scott Davis says. "Visionary marketers operate with a collaborative mindset. They are as good buddies with the CFO as with the brand managers that report up to them."

STAND YOUR GROUND. Part of collaborating is knowing when to stand your ground and do what's right for the organization. "It's hard to convince a CFO and CEO of a major car company that they should forgo the efficiencies of building four different models of cars exactly the same way, because that's going to catch up and kill them," Steven Smith says. "That's where you have to be willing to stand your ground — and I don't know that people do that very well."

DEVELOP BETTER METRICS. Marketers should work with the finance team to develop effective metrics that track progress and ROI along the short- and long-term horizon. "It's only if marketing can bring in facts — not opinions, but facts — that show there's a change in customer behavior that they can be successful in driving a growth agenda," Adams says. "If you don't have a common way of viewing success, you're never going to get traction in the company."
— C.K.



that a lot of marketers don't truly understand the business that they're marketing."

What you can do: Spend time with front-line employees — particularly those who interact with customers — and learn how the whole puzzle fits together. "Keep your ear to the ground and immerse yourself in specific issues where you can help," Samuels advises. "You can gain traction by tackling some of the little problems people face, like 'I need leads,' or 'there are rumors about us in the marketplace,' or 'I don't know where to get information about X.' Put organizational good above personal recognition."

3. Make Marketing Accountable

While marketing is both an art and a science, visionaries tend to lean on the latter, especially when collaborating with their bosses. "Every aspect of business is highly measurable," Smith says. "Marketing should not be any different." If you can present a clear business case for making the shift, you're well on your way.

"The question is, what are you bringing to the table?" Palmer adds. "If you want money from me, don't tell me to trust you. Give me some sense that you have an understanding and ability to deliver something of value to the company."

What you can do: Develop meaningful methods of tracking marketing's contribution to company revenues. To back it up, ask for incentive-based compensation aligned with the company's growth. (For more tips on building rapport with finance, see "How to Work with the CFO," at left.)

While stepping up to become a true visionary marketer may seem a daunting challenge, those farthest behind in some ways have the greatest opportunity. "Don't try to climb the entire mountain in one quarter or one year," Davis says. "This is about a journey that marketing is going on. And if there isn't already a strategy or a playbook to follow, that's a perfect opportunity to step in figure out how to co-create that with the executive team. Find a few partners in the c-suite, and take the initiative to paint the landscape for the next three to five years and be a key architect. And by the way, you've just created your own blueprint for the next three to five years, because now you know exactly what you're going to do." ■