

**MAY
JUN**
2024

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**IF CMOs ARE
DISAPPEARING,
WHO WILL
PROTECT &
GROW
PROFIT?**

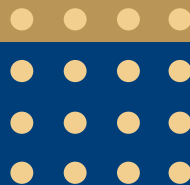



**GET
SMART
EDITION**

3 **What's Happening to the CMO?** An Unthinkable C-Suite Trend



7 **It's Only a Brand – If You Treat It That Way**





WHAT'S HAPPENING TO THE CMO?

An Unthinkable C-Suite Trend

by David Cooper

In every C-suite, there should be a marriage of understanding among members for what each leader needs from the others to effectively lead the organization as a whole. I'm disheartened to see the role of chief marketing officer (CMO) experiencing a downward trend in job tenure.

Some attribute this trend to the pandemic's impact on business strategy, unprecedented changes in the role of marketing, the decline of chief executive officer (CEO) confidence in marketing leadership,

and even the move to eliminate the CMO role altogether and replace it with one that's focused on commercial and revenue strategies.

A case in point

Last December, UPS eliminated its CMO role and installed a chief commercial and strategy officer to oversee global revenue, product management, and global strategy and transformation. I don't see the word 'marketing' in there, which

is unsettling to a business and marketing consultant. To me, this move, combined with the absence of marketing in the overall job definition leaves a critical void in the C-suite.

My concerns are succinctly expressed in this Forbes article by Dr. Marcus Collins, in which he also laments the change at UPS and related actions at other organizations.

"The eradication of the CMO role at a company like UPS is arguably the sharpest attack we've seen on the marketing function to date," Dr. Collins says. "However, the root of this problem might reside in something far more foundational. Perhaps the challenge is that the C-suite has a fundamental misunderstanding of

Companies fail when their focus on the customer fails. Marketing is the function that builds and maintains that focus.

what marketing actually is. If they had a better frame to describe marketing and a shared lexicon to discuss its contribution to the business, there is no way they'd dare consider reducing its role within the senior leadership team."

Collins goes on to explain why, if CEOs don't fully understand what marketing is and what its true responsibilities are, they will always underestimate the contributions of the CMO and their importance to the business. CEOs and all C-suite members should read the full article and hopefully conclude why sobering statistics of late are a clarion call for a reversal in the diminishing role of the CMO.

Here's what the numbers say

Results of a Statista [study](#) released in March 2024 revealed that in 2023, approximately 54% of U.S. CEOs reported being aware that CMOs had the shortest tenure in the C-suite. In the two previous years, that share did not surpass 46%. At the same time, according to the same study, U.S. CEOs expected marketing to help them generate new customers, retain existing ones and drive revenue growth. Make it make sense!

Another [recent study](#) also shows that CMO tenure is falling and remains one of the shortest tenures in the C-suite. However, this study emphasizes that shorter job

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tenure should not necessarily be conflated with poor performance. "Our research finds that 77% of exiting CMOs in the top 100 list go on to bigger and better roles," the study says, including general management positions and CMO roles at larger companies.

As calming as that may sound, it doesn't negate the impact of

turnover in marketing leadership or the lack of real marketing leadership in the C-suite. This impacts the critical profit center that has always been and will always be owned by marketing.

Implications stretch far beyond the C-suite

I'll get straight to the heart of it. Companies fail when their focus on the customer fails. Marketing is the function that builds and maintains that focus. Echoing my sentiments, Dr. Collins says, "Without marketing, people don't move. They don't buy, they don't vote, and they don't click. ... What CEO wouldn't want a senior leader overseeing this function who actually understands ...and knows how to get people to move?"

That's why in today's environment, it's crucial for C-suite members to at least have a basic understanding of marketing as it relates to profitability and especially customer centricity. It's widely known that companies that prioritize being customer centric are more likely to have CEOs who do understand marketing and prioritize the importance of not only understanding but meeting customer needs.

Such awareness must exist not only within the C-suite but also be instilled across the organization, particularly in today's business world, where the role of marketing is deeply and irrevocably intertwined with multiple other departments, divisions, and business functions.

Customer centricity requires strong connectivity – driven by the CMO

Many organizations struggle with customer connectivity, a non-



negotiable pillar in becoming customer centric. The CMO is uniquely positioned to address this challenge by playing a dominant role as a true partner in closing the customer connectivity gap. Here are four ways to make that happen:

1 CUSTOMER CHAMPION: CMOs are the voice of the customer in the C-suite. Their deep understanding of customer needs, behaviors, and journeys allows them to craft marketing strategies that resonate and build genuine connections. This focus goes beyond sales, influencing brand perception, loyalty and the overall customer experience.

2 GROWTH DRIVER WITH A CUSTOMER FOCUS: Effective marketing, driven by customer insights, translates directly to growth. CMOs develop strategies for brand awareness, lead generation, and customer acquisition, all while fostering customer retention. This creates sustainable growth built on strong customer relationships.

3 TRANSFORMATION THROUGH CUSTOMER CENTRICITY: The marketing landscape is constantly evolving. CMOs leverage new technologies, tools and trends to implement innovative marketing strategies. But more importantly, they can be catalysts for a company-wide transformation by promoting a customer-centric approach across all departments.

4 STORYTELLER AND BRAND ADVOCATE FOR CUSTOMERS: As a company's narrative crafter, the CMO builds a strong brand image that resonates with target audiences.

They ensure consistent brand messaging across all channels and most important, they ensure messaging is built on understanding and catering to customer needs.

Effective marketing permeates the whole organization

Many functions that used to be solely performed by marketing are now spread across disparate areas of a company. In successful organizations, all areas are connected, enabled and driven by technology and data analytics. Involved areas include product management, online commerce, offline sales, customer experience (CX), customer research and insights, product R&D, and advertising. All of these must be performed by teams working in concert to generate profit through marketing.

If there's a lack of understanding of marketing in the C-suite, and no formal strategy or associated programming sanctioned by the

heads of the organization, there are going to be breaks in the chain responsible for profitability, even survivability.

What can the C-suite do to build understanding?

Since effective marketing requires involvement and action by multiple company areas and teams, members of the C-suite should elevate the standing of the CMO (or comparable role) in their organizations. This is accomplished by collaborating with each other to bring the following initiatives to fruition. As a result of doing these things, they will most certainly see a positive material impact in the company's performance and customer relationships.

■ **Be the Voice of Reason:**

Set the appropriate tone for your revitalized approach to marketing. Do what successful C-suite execs do: Inform, educate, inspire and motivate your teams to buy into and enthusiastically engage in your marketing strategy. This





- **Cooperation:** Concentrate on cross-functional collaboration and talent development. Unite marketing and interconnected departments and teams on the same page by communicating shared goals – from product development to sales, customer service, customer experience, research and development, fulfillment, supply chain, and any area of the company with a direct or indirect connection to satisfying customer expectations and experiences.

Give marketing the leadership strength to succeed

Today's most successful CMOs are not only respected but also empowered by their fellow C-suite members. They are nimble leaders, practiced in thinking strategically and creatively in customer-centric ways that help their companies achieve marketing goals and drive revenue.

Companies that don't have a CMO sometimes have a global marketing director, vice president of marketing, or a related position in overseeing marketing. These individuals perform the same responsibilities and work to drive the same levels of performance as a CMO. Regardless of their title, they merit equivalent regard and guidance among all members of the C-suite.

CEOs who prioritize continuous learning about marketing developments and best practices better understand this function and why it is mission critical to company success. No CEO, C-suite or organization should operate without this essential expertise.

Effective marketing, driven by customer insights, translates directly to growth.

will help them do their jobs in collaboration with others and lead to higher revenue and long-term success.

- **Innovation:** Create a dynamic environment that welcomes new ideas, innovation and risk-taking. Encourage teams to experiment with new technologies, marketing channels and tactics so that you remain on par with or ahead of the curve compared to your competitors and industry. This allows you to stay proactive and agile in adapting to ever-changing industry and consumer trends, market conditions, and challenges and opportunities.
- **Data Analytics:** While developing new strategies, leverage the heck out of customer insights and data

analytics to inform your decisions and ensure your strategies are grounded in data-driven facts. Make sure all departments and divisions know the strategy and champion their decisions. Translation: Educate and empower employees to make wise decisions with a shared mission, purpose, vision, values and goals that will optimize marketing performance.

- **Tracking:** Regularly monitor and measure marketing performance – and do so based on relationships with your customers. Since performance starts and ends with your people and your customers, use more meaningful measurements. Instead of using KPIs and OKRs, evaluate these indicators instead: Are new relationships being established? Are existing relationships growing and improving? Always keep in mind that companies don't perform. Employees and customers do. And measure accordingly!



IT'S ONLY A BRAND



IF YOU TREAT IT THAT WAY

by David Cooper

Search the best-known corporate brands and you'll see what we all recognize as household names – corporations that have spent years building equity in their brands and public personas. In the minds of consumers and other businesses, these are also the world's most valued brands in perceived product or service innovation, quality, reliability, and customer experience.

Contrary to what some might think, the reason these companies have such strong identities is not because of their sizeable market shares or huge advertising budgets. The reason they rule is all about strategy – and the good news is that strategy is a perfectly manageable concept for your company to embrace. You don't need to be in the top 1,000 or anywhere close to emulate these market leaders and reap the style of recognition and value-based rewards they enjoy.

What is their strategy and how can you apply it to your business?

One company. One voice.

Corporate identity has everything to do with success because of its influence on people's buying decisions. But here's the problem. Most companies invest their resources in branding their products and services – and pay little if any attention to branding the company itself.

This practice creates a disconnect

between a company, its products and activities and in the marketplace. And to further muddy the waters, the terms 'corporate identity' and 'brand identity' are often used interchangeably, when in fact they're wholly separate disciplines. It's important to know the distinction and infinitely more important to champion corporate identity branding before giving life to product, service, or subsidiary branding.

In the big scheme of things, while companies are pretty good at defining and branding their offerings, very few are successful at corporate branding. Some that do the latter extremely well are Apple, Amazon, Disney, Google, and Nike, to name a few. Here's an example of why it's imperative to prioritize corporate branding over product branding: When people think of Apple, they rarely think of a single product. Consumers perceive a slew of revolutionary products, each embodying the same signature ingenuity and value of the company itself.

Bottom line? Strong companies grow their brands by knowing exactly what the company stands for and why it excels. Based on this core definition, a company can maintain full, strategic control over what they say and do with their offerings, both internally and in the marketplace.

Corporate brands are more valuable than product brands

Again, think of Apple's halo effect, or that of any company you respect and rely on for products or services. I think you'll agree that when people like and trust a company, they're inclined to explore and buy

more of what that company sells – whether they need it or just want it. A strong corporate identity hoists all company products and services into a buyer's realm of awareness, opening the hatch to cross-selling, up-selling, the purchase of additional offerings, and best of all – customer retention, loyalty and advocacy.

That lucrative ring of light simply cannot exist without a core company identity. When money and resources are only poured into branding individual offerings, those products or services become islands in a stream, untethered from each other and the company itself. This greatly diminishes the ability to build across-the-board equity in all offerings.

Think of your corporate brand as your flag, the banner and messaging that buyers can readily recognize as your full ship of offerings sails the channels of commerce and communications.

Keys to defining a strong corporate brand

Branding or rebranding a company is more involved than branding products or services. It takes time and is bigger in scope, representing all that a company does and believes in. It's no wonder so many organizations struggle to define their corporate identities. Then, once they think they have it down, many don't know how to articulate and establish it in the marketplace. This points to a faulty process. The right process breathes life and longevity into the business.

Corporate branding begins with answering these questions:

- What are your company's mission, vision and goals?

- What are your values and beliefs?
- What is the internal culture like at your company?
- What products or services do you offer, and who are your customers?
- What is your value promise to customers and prospects?
- In what ways do you differ from your competitors?
- In what ways do you excel?

As you answer each question, it's important to do so in these ways to create a concise sketch:

- **Focused:** Be brief but exacting, using bulleted key words and phrases (not full sentences).
- **Easy:** Use mainstream words that are simple to understand (not complex industry jargon).
- **Connected:** Define who your company is now and who you aspire to be (persona).
- **Authentic:** Stay real and honest in your answers.
- **Achievable:** Be realistic in what your company aims to accomplish.
- **Enduring:** Use adjectives or phrases that say why your company has staying power.

Once you have your initial answers, take advantage of [Harvard Business Review's clear-cut path](#) to hammering out a strong corporate brand identity. Their Corporate Brand Identity Matrix can help you examine and hone your answers, which are all interrelated components of who you are and what you do. After your corporate identity is defined, it should be adopted internally across

departments and divisions, and any subsidiary companies.

This approach informs branding for products and services, as well as messaging for marketing and communications. The result? Everything aligns, creating that halo effect that emanates from the top down and side to side for all products and services.

Corporate identity also includes a visual icon, or logo – the marker that carries your company's identity and messaging across brands and channels. This is a topic for another day, but it's also an initiative that should not be entertained until you know exactly what your company and corporate brand stand for.



which requires some rebranding, and sometimes, a corporate image may need to be improved to shed negative perceptions.

It's only a brand if you treat it that way. Be a company that invests in a strong corporate identity and be

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Periodically reassess and validate

Time changes things. New product lines may be introduced that are not currently recognized as part of a corporate identity. New customers and prospects come into the fold, who need to be acknowledged. Companies also change directions,

sure to revisit your strategy from time to time to ensure the identity you have built is still exacting. Taking this approach, you'll be more agile and market-ready in times of change, which are sure to come, and you'll always be positioned to seize opportunities for growth.

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