

WHAT IT TAKES TO BE AN A-LEVEL CMO

Fancy Yourself Indispensable? Be Sure You Measure Up to New Standards

By Carlos Cata and Bruce Robertson

September 04, 2006

How did the network-TV execs overlook corporate America's A-level marketing talent in their spate of summer reality shows? Didn't they grasp the ratings potential of "Last CMO Standing"? They actually thought showcasing performers who think they can dance would outdraw those who can juggle multidimensional interactive media?

OK, just because a couple of executive-search consultants think that the dazzling skill set of today's top chief marketing officers belongs on "America's Got Talent," our viewing preferences probably don't guarantee a Nielsen smash. We'll just have to tell this story ourselves.

It actually all began a very long time ago—way back in the 1990s—when you were gratified that you had earned the lofty position of senior VP or exec VP of marketing. Today, your hip title is CMO and you've joined the exclusive C-suite, alongside the COO, CFO and CIO, driving strategic and profitable top-line growth. But the truly dramatic change is what A-level marketing talent looks like in 2006.

In those bygone days of the 1990s, you prided yourself on being the go-to person for identifying key trends. Today's "A" rating depends on your ability to routinely identify growth opportunities. Back then, your focus was product-centric and consumer-centric. Today you have an expanded perspective that is also customer-centric and partner-centric. Not long ago, developing an imaginative advertising strategy brought a shower of kudos; now your CEO depends on you to develop integrated business strategy. Possessing A-level marketing talent used to enable you to fulfill a crucial functional role; today you need it to meet the complex challenges of a senior leadership role.

So what happened? For openers, you surely grasp that the spike in CMO prowess is

not the result of just one phenomenon. Yes, today's preoccupation with brand-building is a prime factor—along with the global economy, the changing role of the CEO and the splintering of media—but the chief root of the heightened importance of employing an A-level marketer is the pursuit of profitable, organic growth.

In other words, in this era of unrelenting competition, you have become a role model, demonstrating the ever-expanding knowledge and skill required to play on the "A" Team. You are one of the executives at the center of the corporate drive to assemble A-level talent across the business.

Today's "A" marketing talent understands business objectives from a general-management perspective and can apply those objectives to a marketing program that delivers results.

Here, then, is how today's CMOs need to define themselves to succeed, given this demanding, evolving responsibility.

BRAND-BUILDER TO BUSINESS-BUILDER

Complacency with brand stewardship, close-in product innovation and single-digit growth doesn't cut it in 2006. Today's "A" marketing talent leverages existing brand assets, develops new assets, and aggressively goes after new markets, categories and channels.

For example, you pursue new markets in other countries or continents or recognize the potential of a U.S. consumer sector, such as Hispanics, and tailor a marketing effort to that group through exhaustive study, creativity and precise implementation.

Consumers who reach for Listerine breath strips may not appreciate the marketing triumphs they are responding to, but A-level marketers do. Listerine, known mainly for

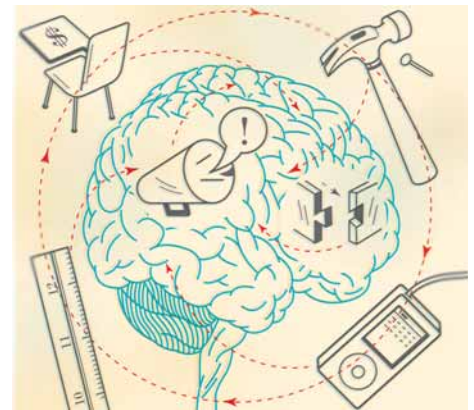


Illustration: Harry Campbell

Today's 'A' marketing talent understands business objectives from a general-management perspective.

mouthwash since 1914, even landed on Time magazine's 2002 list of best inventions with its PocketPaks—now selling by the millions in four flavors.

MEDIA MAVEN

A Big Bang has exploded conventional media into fragments that include podcasts, satellite radio, ads on Channel 253, streaming video, cellphones, Google and advertising on foreheads. But you relish the possibilities in the media overload. You are excited that major corporations as disparate as American Airlines and ESPN are funneling significant operational and marketing dollars into digital activities.

You stay on top of media changes through constant study, testing, learning and adjusting. You can't be an expert in every media channel, but you are expert in asking all the right questions, creating comprehensive media strategy and delivering impact with every message—no matter what the medium. You are aware that back in 1912 mass oceanic transport wasn't undermined by an iceberg; it was thwarted because an era was

dawning that would one day fill the sky with jumbo jets. Where media is concerned, you keep your eyes on the horizon because you know it is coming at you fast.

STUDENT OF CONSUMING AND SHOPPING

For A-level CMO talent, consumer research has expanded into shopper research. Classic research foundations such as trend tracking are now just that—foundations informing your hypothesis-driven inquiry into how the consumer landscape is evolving.

You have loads of insight into how consumers use your product or service, but you want to understand what is happening in that “last 18 inches” of the shopper decision and how factors such as packaging, shelving and price points come into play.

Your company may not have the size and resources of Procter & Gamble, but you can emulate the extensive research and partnership that P&G conducts with its key retailers.

MASTER INTEGRATOR

Beyond technical know-how, you have the charisma and persuasive power to unite key colleagues. More than a team player, you’re a team leader. As a C-suite executive with a unique vantage point for under-

standing what your company needs to do to increase market share, you must deepen insights, motivate, foster flexibility and create synergy. You gain colleagues’ trust by demonstrating your marketing expertise and identifying with the critical challenges they face.

You do not, however, exhibit a marketing mind-set; you exude a commercial mind-set focused on increasing profits. You never come across as self-serving or empire-building. You care more about the organization and your impact on it than your career. You know that if you do the right thing, your career will take care of itself.

METRICS GURU

Financial institutions such as Bank of America, with an appetite for numbers and measurement at the core of their DNA, particularly excel at applying metrics to marketing strategy to realize exceptional sophistication. You have cultivated a similar appetite. As a result, you pore over metrics related to revenue, market share, brand health and profits, which in turn lead to the juicier metric of return on marketing investment. There, at your bottom line, you have the lens to measure the impact of your marketing investment on the business.

INTERNAL EVANGELIST

With your profound understanding of consumers’ perceptions and the last 18 inches in shopping decisions, you represent the voice of the marketplace. You have transformative opportunities in your company, which you realize through your grasp of operations and sales issues, mastery of internal communications, and ability to foster exceptional teamwork.

As a pivotal change agent, you interpret the redefined marketing role to colleagues, illuminating growth issues and leveraging insights so you can create and drive demand. You are nothing short of an internal evangelist.

About the authors

Carlos Cata and Bruce Robertson are executive-search consultants in Heidrick & Struggles’ CMO and Consumer practices. Mr. Cata draws on 15 years of experience with some of the premier brands and package-goods companies in the world, bringing special expertise in the food and beverage sectors. With more than 20 years in executive search, Mr. Robertson has worked extensively with consumer-product organizations and portfolio companies of major private-equity firms.

Reprinted with permission from the September 4, 2006 issue of AdAge.com, ©2006 by Crain Communications Inc.
AA-DK7677 • Reprinted by FosteReprints • (866) 879-9144 • AdAgeReprints@fostereprints.com.

HEIDRICK & STRUGGLES

Heidrick & Struggles International, Inc. is the world's premier provider of senior-level executive search and leadership consulting services, including talent management, board building, executive on-boarding and M&A effectiveness. For more than 50 years, the company has focused on quality service and built strong leadership teams through its relationships with clients and individuals worldwide. Today, Heidrick & Struggles leadership experts operate from principal business centers in North America, Latin America, Europe and Asia Pacific. For more information about Heidrick & Struggles, please visit <http://www.heidrick.com>.