

"Everything you need to know to
be a superior marketing leader!"

MARSHALL GOLDSMITH

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Thinker in the World



THE 12 POWERS OF A MARKETING LEADER

How to Succeed by Building
Customer *and* Company Value

THOMAS BARTA | PATRICK BARWISE

HOW MARKETING LEADERS SUCCEED IN TODAY'S GLOBAL, DIGITAL WORLD

“The essential leadership playbook for the CMO of the future.”

—JIM STENGEL, former Global Marketing Officer, Procter & Gamble

“Barta and Barwise show in this thoughtful book how marketers can contribute significantly more both to their companies' success and to their own career paths. Research-based, but brought to life by human beings.”

—SIR MARTIN SORRELL, CEO, WPP

“A masterful dissection of what it really takes to lead marketing.”

—SYL SALLER, CMO, Diageo

“A must-read for every present and future CMO who cares about making a difference.”

—SETH GODIN, author of *All Marketers Are Liars*

“A persuasive and well-researched perspective on the opportunities open to marketers to lead for change.”

—PAUL POLMAN, CEO, Unilever

“An essential read for any marketing professional looking to take the next step in their career.”

—DOMINIC BARTON, Global Managing Director, McKinsey & Company

“This might just become the bible for marketing leaders.”

—SHERILYN SHACKELL, Founder and CEO, The Marketing Academy

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Praise for *The 12 Powers of a Marketing Leader*

“Align your customer’s needs with your company’s process and you’ll find yourself creating or leading a market sector. *The 12 Powers of a Marketing Leader* shows you how! Barta and Barwise have conducted critical primary research to produce an astounding new framework that will change the way you market your company and meet your customers’ needs! The framework, derived from comprehensive new research, offers everything you need to know to be a superior market leader! Thank you, Barta and Barwise, for sharing your secrets to success!”

—Marshall Goldsmith, The Thinkers 50
#1 Leadership Thinker in the World

“This is the book we’ve all been waiting for. A masterful dissection of what it really takes to lead marketing, written in a pragmatic, compelling way that everyone can use to grow their business and further their career. In a world where the fundamentals of marketing are being challenged daily by technology, it provides a roadmap for how to lead, despite the rapidly changing context. The 12 principles identify what really matters—with insight and wisdom.”

—Syl Saller, Global CMO, Diageo,
Marketing Society Leader of the Year 2015

“A must-read for every present and future CMO who cares about making a difference.”

—Seth Godin, author of *All Marketers Are Liars*

“Barta and Barwise show in this thoughtful book how, by realigning their role, marketers can contribute significantly more both to their companies’ success and to their own career paths. Research-based, but brought to life by human beings.”

—Sir Martin Sorrell, founder and CEO, WPP

“A persuasive and well-researched perspective on the opportunities open to marketers to lead for change, both inside their organizations and outside. Important reading for anyone wishing to flourish in this most exciting and dynamic field of corporate life.”

—Paul Polman, CEO, Unilever

“Stuffed full of sound analysis, crucial career advice, and fascinating case studies—this is an effortless must-read for the ambitious marketer.”

—Gavin Patterson, CEO, BT

“*The 12 Powers of a Marketing Leader* offers a specific and practical path for CMOs to ‘elevate’ their roles and become leaders in their organizations. An essential read for any marketing professional looking to take the next step in his or her career.”

—Dominic Barton, global managing director, McKinsey & Company

“I’ve always been convinced that marketing leaders need unique skills to be effective and make the greatest difference. Hurrah for Barta and Barwise who have quantified great marketing leadership and show some great, simple, and clear ways for achieving it. This is a hugely valuable, numbers-based book of practical advice. I only wish I had been able to read it a good few years ago!”

—Amanda Mackenzie, global CMO, Aviva

“Marketing is key to an organization’s success and *The 12 Powers of a Marketing Leader* provides the essential leadership playbook for the CMO of the future.”

—Jim Stengel, former global marketing officer, Procter & Gamble

“*The 12 Powers of a Marketing Leader* singles out the number one factor for CMO success: leadership! Packed with research-based insights and enlightening stories, it’s the leadership book for twenty-first-century marketers.”

—Katie Vanneck-Smith, chief customer officer,
Global Managing Director International, Dow Jones

“This research-based, yet superbly practical book provides immediate and actionable insights on one of the most challenging boundaries to span—the one between corporate goals and customers. I encourage you to read this book and get into the ‘V-Zone!’”

—Chris Ernst, PhD, author of *Boundary Spanning Leadership*,
global head, Learning, Leadership & Organization
Development, Bill & Melinda Gates Foundation

“*The 12 Powers of a Marketing Leader* is a must-read for any marketing leader, with a clear blueprint that will take any marketer’s career to the next level and far beyond. Barta and Barwise have written a highly accessible book that’s engaging, informative, and motivating!”

—Barbara Messing, CMO, TripAdvisor

“Barta and Barwise have a unique ability to find and illuminate the essential in marketing. *The 12 Powers of a Marketing Leader* offers invaluable insights and advice on a blindingly important—but rarely talked about—marketing topic: how to achieve marketing success within the organization. It will help any marketer become a true marketing leader.”

—Kevin Lane Keller, E.B. Osborn Professor of Marketing,
Tuck School of Business

“A truly insightful guide to how good marketing executives can become outstanding leaders and enhance the value of marketing within their organizations.”

—Joan Kaloustian, managing director Corporate Marketing,
MUFG Union Bank

“Here is a must-read book for marketers as leaders. If you have a cause to promote, an ambition to lead, and a desire to perform on the main stage, not in the studio, pursue the practical guidance in these pages and a permanent seat at the top table, if not at its head, will be yours.”

—Richard Hytner, author, *Consiglieri: Leading from the Shadows*,
founder, beta baboon, former DY Chairman, Saatchi & Saatchi Worldwide

“Barta and Barwise lay out a clear and compelling roadmap for helping marketing practitioners become high-impact enterprise leaders. Their success model is deeply grounded in data and experience and provides a framework that works within the ever-changing world of modern marketing.”

—Peter Horst, CMO, The Hershey Company

“This book rejects the ‘one leader fits anywhere’ mentality, and makes a powerful case that leadership practices are ideally tailored to a specific functional area—such as marketing. By meshing relevant research along with personal experience, the authors also make a compelling and incisive argument that leading a group of marketing professionals differs dramatically from being a consummate practitioner.”

—Jack Zenger, CEO of Zenger Folkman and
bestselling coauthor of *The Extraordinary Leader*

“The first evidence-based toolset to ‘lead marketing.’ A must-read for anyone who is serious about leading—not just doing—marketing.”

—Bernie Jaworski, Drucker Chair in Management
and the Liberal Arts, Drucker School of Management

“Great marketing leadership is a vital part of driving business growth. This book gets under the skin of what makes a great marketing leader with vital, practical lessons which can be applied to help anyone focus toward future career success.”

—Peter Markey, CMO, Post Office

“The world needed a book that could show the power of combining leadership and marketing skills. This might just become the bible for marketing leaders.”

—Sherilyn Shackell, founder & CEO of The Marketing Academy

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INTRODUCTION



Doing Marketing Isn't the Same as Leading Marketing

You are a marketer.

You have a passion for brands. You understand the market. You are your company's linchpin for customer focus.

For years, CEOs have wanted companies to be more market oriented and innovative. Today, digital technology offers even more opportunities—and more pressure—to serve customers better.

In principle, your spot in the organization should be exalted. Your perspectives as a marketer should be in high demand. Top management should respect and look to you as it makes key decisions.

Unfortunately, things don't always work that way.

Despite endlessly saying they want to be more customer focused, many firms don't have a marketer in the top team. Too few CMOs make it to CEO, and marketers' reputation with CEOs is mixed (as we'll show). At the writing of this book, the domain Influentialmarketers.com was still available. It's symptomatic.

Many marketers are great at *doing* marketing. They excel at things like customer understanding, brand communications, and social media campaigns.

Nonetheless, many wish they had more traction inside their own companies. They work hard to help their company grow, but their efforts aren't always translating into internal influence and stellar careers.

Our research, which we will describe momentarily, bears this out.

Seventy-one percent of marketers believed their business impact was high, but just 44 percent were satisfied with their career path. The marketers' bosses took an even bleaker view: of all their direct reports, the bosses put marketers *last* in career success.

Failure as a marketer is a big issue—not just for you but for your company, too. If you fail in making your organization customer focused, its long-term profits will suffer. And if you move on, you'll perhaps take years of customer understanding, new product ideas, and growth strategies with you.

CEOs and marketers have an obligation, then, to be jointly successful. But how?

The solution lies with you, the marketer: up until now, you've probably been putting most of your eggs in the marketing skills basket. That is, you know how to do things like position the brand and create promotions that customers love.

And we salute you for being expert in those things. They've gotten you far. But as we'll show you: they're not enough to maximize your business impact and career success.

Alongside your expertise in marketing skills, you must also become expert in marketing leadership. It's a very different basket. What's in it?

Leading marketing isn't just about serving the customer. It's also about increasing and using your knowledge and marketing's influence inside the organization to improve the end-to-end customer experience. It's

about mobilizing your boss, your colleagues, your team, and yourself to maximize the overlap between customers' needs and the company's needs. That, then, is what this book will teach you.

This isn't a marketing book. It's a leadership book for marketers.

You have an important choice to make: you can choose to continue as just a technical marketer. Thanks to digital, you shouldn't get bored—there will always be interesting new things happening. But you're unlikely to create significant impact for the company. You may even end up frustrated by your limited career success.

This book offers you a more ambitious alternative—almost certainly better for both the company and yourself. Use your leadership ability—and the new digital opportunities—to achieve what few firms do really well: connect customers and the company.

The Three Truths

This book is based on a comprehensive study of chief marketing officers* (discussed in more detail in the Appendix). The study can be divided into three parts.

In the first part, the answers came from top marketers themselves. 1,232 senior marketers took an extensive self-assessment, so we could understand what they know, how they lead, and how successful they consider themselves in terms of both their impact on business performance and their personal career success.

In the second part, we looked at CMOs through the eyes of others. We analyzed 67,278 360-degree assessment responses from superiors, coworkers, and direct reports who rated marketers along with leaders from other disciplines such as finance and sales.†

In the third part, we developed insights from interviews with over 100 CMOs, CEOs, and leadership experts about what matters for success as a senior marketing leader.

* As job titles in marketing vary widely, we are using the terms *chief marketing officer*, *senior marketer*, and *senior marketing leader* interchangeably to describe those in charge of marketing.

† The sample comprised 7,429 marketing and nonmarketing leaders.

What we found has completely changed our view on what it takes for a marketer to “make it.”

Our research has also given us hope: as a marketer, you *can* succeed by systematically applying a number of leadership skills that are particular to marketing.

Let’s take a look at the research results. We’ll begin with three insights, which we call “the three truths.”

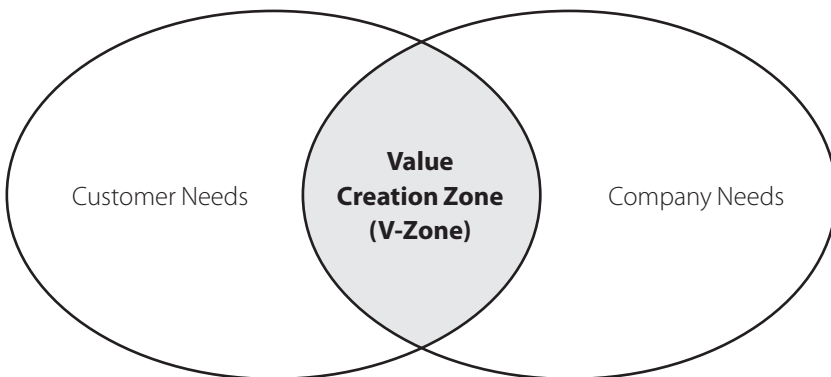
Truth #1: Your power lies in the space where customer and company needs overlap (the “V-Zone”).

Our research confirms that marketing success is about maximizing the overlap between customer and company needs. We call this overlap the “Value Creation Zone” . . . or “V-Zone,” for short. Creating that match, however, isn’t what marketers do naturally.

To understand what’s inside the V-Zone, let’s first look at what’s outside of it.

Suppose you spend most of your time acquiring new customers. Bringing in customers from the competition, or customers who are new to the market, is what marketers do, right? For you, acquiring customers is your business’s lifeblood.

Figure I.1 The V-Zone



Nonetheless, the CEO doesn't share your view. In top management's opinion, acquiring new customers—at least the way you're currently doing it—is expensive and wasteful because so many of them leave before the company has gotten its money back.

Instead of putting so much effort into customer acquisition, the top team's priority is to increase customer retention. They feel the business would profit more if the customers they already had enjoyed a better experience, stayed longer, spent more money with the company, and recommended it to others.

That kind of disconnect between marketing and the top team would spell trouble. You'd be working outside the V-Zone, because what you (and some customers) care about most and what the CEO cares about most don't match. In that example, the company and most customers would suffer, and so would your career.

So what's it like working inside the V-Zone?

When marketers work there, they create value for customers (products, services, and experiences that meet their needs), value for the company (revenue and profit), and value for themselves (greater influence and better careers).

Finding the overlap between customer needs and company needs is the principle behind successful marketing leadership.

As a marketing leader, your natural focus is on customers (*doing marketing*). But in every organization, people from different departments need to work together in creating the customer experience. It seems only logical, then, that, to succeed, an exclusive focus on customers isn't enough. To get things done for customers, marketers must also understand how to serve the needs of the organization, too. Often times, these needs don't overlap easily and there will be tension. Marketing leadership is about trying to increase that overlap of customer needs *and* company needs.

Our research shows that the most successful marketing leaders are indeed those who maximize the overlap between customer needs and company needs (the V-Zone).

Truth #2: Success in marketing is about mastering “The 12 Powers of a Marketing Leader.”

In our research, we found 12 important sets of leadership behaviors that determine success as a marketing leader. We call these behaviors “the 12 Powers.”

For the marketers in our study, how they lead was the number one driver of their business impact and career success. Functional marketing skills, of course, matter too. As a marketer, to succeed, you still have to *do* marketing. But these technical skills, for long-term success, are just your ticket of entry.

To create long-term value by increasing the overlap between customer needs and company needs, marketing leadership skills are paramount.

The 12 Powers themselves fall into four bigger groups: mobilizing your *boss*, mobilizing your *colleagues*, mobilizing your *team*, and mobilizing *yourself*. They complement what you already do each day: mobilizing *customers*!

We calculated how much each of the 12 Powers contributed to the business impact and career success of the senior marketers in our research.

For example, for the marketers in our study, **Power #1: Tackle Only Big Issues**, accounted for 10 percent of (the explicable variation in) business impact, and the same (10 percent) for career success.*

Success as a marketing leader is about mastering and applying the leadership skills that help you maximize the V-Zone.

Sherilyn Shackell, founder and CEO of The Marketing Academy, summarized it this way: “The challenge for CMOs is that they now need people who are doing jobs that they themselves have never done—roles that probably weren’t even in existence five or ten years ago. Leadership capabilities of top marketers have to be exceptional to impact companies going through so much change.”

Let’s take a closer look.

* See the Appendix for details.

Table I.1 The 12 Powers of a Marketing Leader
(Contribution of each power to the explicable variation in marketers' business impact and career success)

MOBILIZE YOUR BOSS	
Power #1. Tackle Only Big Issues (Business: 10%, Career: 10%)	Make sure that what you work on is inside the V-Zone: it matters for both customers <i>and</i> the company (as judged by the CEO). And put a price tag on your work, so people see why what you're doing matters.
Power #2. Deliver Returns, No Matter What (Business: 12%, Career: 3%)	Financial returns should be your priority. Being seen as an effective investor will also help your standing at the top and, ultimately, make more resources available to you.
Power #3. Work Only with the Best (Business: 1%, Career: 2%)	Mobilizing your boss is easier if you work with the best external people who will deliver great work. (This is the weakest of the 12 Powers but helpful at the margin).
MOBILIZE YOUR COLLEAGUES	
Power #4. Hit the Head and the Heart (Business: 3%, Career: 7%)	You can't mobilize colleagues if they don't listen to you. Tell them a real-life story that offers hope; get into their hearts as well as their heads.
Power #5. Walk the Halls (Business: 13%, Career: 13%)	As a marketer, you won't change the world by sitting at your desk. You have to go out and engage people to make things happen. This is one of the most important of the 12 Powers.
Power #6. You Go First (Business: 6%, Career: 12%)	Aim to lead from the front. Be the change you want to see. Act as a role model for others.
MOBILIZE YOUR TEAM	
Power #7. Get the Mix Right (Business: 20%, Career: 7%)	You need the right mix of team skills, styles, and personalities (including yours). To build a powerful tribe, align the team closely around a common goal.

Table I.1 The 12 Powers of a Marketing Leader (*continued*)

Power #8. Cover Them in Trust (Business: 4%, Career: 3%)	To enlarge the V-Zone, you must build a team where people have the trust and confidence to ask for forgiveness if things go wrong, not for permission before they do anything.
Power #9. Let the Outcomes Speak (Business: 6%, Career: 9%)	Love it or hate it: as team leader, you are also the judge. You must set the standards, weigh performance, and ensure consequences when needed.
MOBILIZE YOURSELF	
Power #10. Fall in Love with Your World (Business: 18%, Career: 9%)	This is another really important Power. As a marketing leader, you need to know your stuff (customers, products, and industry). This knowledge can also inspire you and others.
Power #11. Know How You Inspire (Business: 2%, Career: 12%)	Inspiration is a marketing leader's biggest weapon. The more you understand why and how you inspire people today, the more you can use these abilities to mobilize others.
Power #12. Aim Higher (Business: 5%, Career: 13%)	The road ahead will sometimes be bumpy. Successful marketing leaders aim high and hang on to their dream to make big things happen—even against the odds.

The leadership skills you need in order to win in marketing are very particular—the 12 Powers of a Marketing Leader.

Truth #3: You weren't born a marketing leader. You must become one.

Much to our surprise, we found that personality matters very little when it comes to a marketing leader's success. Instead, almost everyone can learn the critical marketing leadership behaviors. What may sound counter-intuitive at first makes lots of sense when you take a second look.

The leadership skills needed in marketing differ significantly from those needed by leaders in other business functions. That's because marketers have to bridge three distinct gaps that are especially wide in marketing:

- *A trust gap*: Most of your work is about the future (e.g., projected revenue). So your bosses and colleagues will always, to a degree, doubt what you say.
- *A power gap*: A great customer experience involves many departments. So most of the people you need to create such an experience won't report to you directly.
- *A skills gap*: Marketing technology is changing almost monthly. So you'll never know as much as you need to know. That skills gap isn't your fault—but it's a major challenge every marketer faces.

As a marketing leader, you'll need specific leadership skills and behaviors to close these gaps:

- First, mobilize your *boss* to support your activities, even if you can't always prove the outcome (Powers #1–3).
- Second, mobilize *colleagues* who don't report to you so that, together, you can create a great customer experience (Powers #4–6).
- Third, mobilize *your team* to fight alongside you, even while they're learning all the new technical marketing skills needed for the digital age (Powers #7–9).
- Fourth, mobilize *yourself*, to keep going and inspire those around you to expand the V-Zone (Powers #10–12).

These skills and behaviors—and, therefore, marketers' business impact and career success—are not based much on personality.

In our study, we measured CMOs against the well-established “Big Five” personality traits: openness to experience, dependability/self-discipline, extraversion, agreeableness (how *nice* people are), and emotional resilience. These personality traits explained only about 3.3 percent of senior marketers’ business impact and 8.7 percent of their career success.

So, yes, your personality matters a bit and, as a marketer, you’re probably somewhat different from your nonmarketing peers, as we’ll show you later.

But leading marketing successfully takes specific skills you couldn’t possibly be born with. Personality (how you are wired) is only a secondary factor.

So, no excuses: whoever you are and whatever your personality, you can learn the skills to be successful as a marketing leader.

Why Your (and Your Company’s) Success Matters to Us

We have a dual objective for this book: we want you, as a marketing leader, to have a better career (and, quite simply, more fun). But we also want your customers and companies to benefit.

After all, if you succeed in increasing the overlap between your customers’ needs and your company’s needs, the customers will get a better deal, your company’s business performance will improve, and your career will thrive.

For these benefits to occur, you must change the game and take charge. We want to help you do this.

Here’s why this work is important to us.

Even as a child, Thomas was crazy about marketing and advertising. For instance, when his family gathered around the TV to watch programs, Thomas was more excited about the commercials—which he could recite by heart. (“American Express: Don’t leave home without it . . .”)

It makes sense, then, that he headed into a career as a marketer—eventually becoming the leader of Kimberly-Clark’s European Kleenex

household marketing team. There, he experienced firsthand the joys and frustrations of marketing leadership in a complex consumer goods company that had to operate in a challenging market.

From his experience as a marketing leader, Thomas was convinced that marketers needed a stronger voice in the C-suite, so he joined McKinsey, where he became a partner—often working on strategy with CEOs from around the globe.

Thomas realized that while most CEOs were open to marketing, many struggled to understand exactly what marketers actually did and how their work helped the company. Even more, Thomas observed that many marketers didn't connect well with CEOs.

As a dean of McKinsey's internal leadership program, Thomas increasingly spent time coaching CMOs to help raise and achieve their organizational aspirations.

His passion to help CMOs succeed turned into a new career as an expert on marketing leadership and led him to leave McKinsey and launch the research program behind this book.

Patrick's theme throughout his career has been the need for organizations to become more customer focused and—in particular—how to make that happen in practice. Since joining London Business School in 1976 after an early career at IBM, he has published widely on management, marketing, and media, including his prize-winning 2004 book with Seán Meehan, *Simply Better: Winning and Keeping Customers by Delivering What Matters Most*. He also served for many years as a trustee and then chairman of Which?, the world's second-largest consumer organization, and has been involved in two successful business start-ups in the online market research space. Initially Thomas's mentor on this book project, he became so enthused by it that he asked if he could join as a coauthor—a request that Thomas was more than happy to accept.

So for both of us, this is personal! If we can help you and other marketers improve your leadership skills and impact within your companies, you, your customers, and your companies will all benefit. That's a powerful motivation for us, as well as for you.

Making It Happen

Because the purpose of business is to create a customer, the business enterprise has two—and only two—basic functions: marketing and innovation.

—Peter Drucker (1954)

Every CEO knows that the key to long-term business performance is profitably meeting customers' needs better than the competition. It's easy to say but has proved hard to put into practice.

Marketers should be in the forefront of making customer focus happen—especially in a digital world, where many CEOs are looking to them to lead the way to more customer-focused innovation and delivery.

It's a great time for marketers to change course and take things into their own hands. When we recently raised this with Marshall Goldsmith, one of the world's top leadership coaches, Marshall's response was: "Marketers must concentrate on what they can change—and that's more than they think."

Mastering the 12 Powers will help you to expand your company's V-Zone, boosting both your business impact and your long-term career success.

Don't wait to be asked. Now is the time for you to take charge and lead.



In the following twelve chapters, we'll share stories of what successful marketing leaders did, show you evidence from our research, and, most important, give you tips and ideas for how you can master each of the 12 Powers.

By the time you reach the end of this book, you'll have gone through all the 12 Powers and—we hope—developed a personal action plan to set yourself on the path toward long-term success.

Before you start, try to complete the short self-assessment quiz below (based on one of our comprehensive assessment instruments). It should take no more than five minutes to answer the questions. The results will give you, at the start of your leadership journey, a rough feel for where you stand today.

Enough said. Let's get going.

The 12 Powers of Marketing Leaders— Where Am I Today?

For each question, ask yourself how well the statement applies to you. Be as honest as possible. Write your score next to each statement:

5 – Applies completely

4 – Applies somewhat

3 – It depends

2 – Doesn't really apply

1 – Doesn't apply at all

- ___ 1. In my team, I have built a high level of trust and confidence.
- ___ 2. Others can see that my actions help achieve our business goals.
- ___ 3. My activities create high returns for the business.
- ___ 4. I always mobilize people in the organization with my vision.
- ___ 5. I know myself and my impact on others.
- ___ 6. I always inspire people with my customer vision or story.
- ___ 7. In my team, people take accountability very seriously.
- ___ 8. I have a clear vision of what I want to achieve in my life.
- ___ 9. My priorities are fully aligned with those of the top team.
- ___ 10. I have built a team with the right skills and a clear direction, to solve our biggest business issues.
- ___ 11. I'm a true expert when it comes to my customers, products, and industry.
- ___ 12. I always work with the best external people.

The 12 Powers—Your Results

Please enter your score for each statement into the table below and add them up.

Mobilize Yourself	Mobilize Your Boss
Statement 5 _____	Statement 3 _____
Statement 8 _____	Statement 9 _____
Statement 11 _____	Statement 12 _____
TOTAL _____ (of 15)	TOTAL _____ (of 15)

Mobilize Your Team	Mobilize Your Colleagues
Statement 1 _____	Statement 2 _____
Statement 7 _____	Statement 4 _____
Statement 10 _____	Statement 6 _____
TOTAL _____ (of 15)	TOTAL _____ (of 15)

How to read your scores for each of the four areas, assuming you've been neither too tough nor too lenient on yourself:

- 13–15: You are already mastering these Powers of marketing leadership very well.
- 9–12: You're mastering some of these Powers, but you aren't using them as much as you could.
- 3–8: You aren't yet showing many of these Powers.

You can take a more complete online version of this profile-test here: www.marketingleader.org/download.

ABOUT THE AUTHORS

Thomas Barta (www.thomasbarta.com) is a former McKinsey partner and senior marketer. He speaks and writes to marketers on raising and achieving their growth aspirations. Thomas has consulted and marketed for over twenty years, in fourteen industries, in forty-five countries. He does extensive leadership research and, each year, gives more than forty keynotes and seminars for companies, industry associations, and universities around the globe. His clients include many of the world's most prominent companies, including over two dozen from the Fortune 500.

After a fast-track marketing career at Kimberly-Clark (Kleenex), Thomas joined McKinsey to help CEOs deliver profitable growth in a bigger way. As a dean of the firm's highest-rated internal program, he trained over a thousand McKinsey leaders on driving change without authority. He also shaped, for several years, McKinsey's highly successful global client relationship strategy efforts. For the CMO Fellowship Programme (a joint venture between McKinsey and the Marketing Academy to prepare CMOs for a CEO role), Thomas serves as its long-standing leadership dean.

Thomas holds a master's in business from Cologne University (OAS), an MBA from London Business School, and a master's in clinical organizational psychology from INSEAD Business School (France and Singapore).

Thomas lives in Cologne, Germany.

www.thomasbarta.com

Patrick Barwise (www.patrickbarwise.com) is emeritus professor of management and marketing at London Business School. He joined LBS in 1976 after an early career at IBM and has published widely on

SECTION I MOBILIZE YOUR BOSS

“RECOGNIZING POWER IN ANOTHER
DOES NOT DIMINISH YOUR OWN.”

—JOSS WHEDON

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POWER

#1

Tackle Only Big Issues

Your central question:

Am I working on the topics that matter most for the V-Zone?

As a marketing leader, if you want to have influence and help the company grow, be sure that, as far as possible, the only issues you tackle are big. What, though, constitutes a “big issue”?

A “big marketing issue” is a problem that matters a lot both to your customers and to your CEO and top team. Such a “big issue” always sits right inside the V-Zone. And when you’re tackling big issues, your influence as a marketing leader grows.

For an example, let’s look at a big issue from the career of Dee Dutta.

In the past few years, Dee has worked as CMO of top international brands that include Sony and Visa. But he laid the foundation for his distinguished global marketing career in a much smaller role in the early 1990s, as a head of consumer marketing.

At the time, Dee worked at mobile operator One2One (which later went on to become T-Mobile).

Then, buying a mobile phone wasn't for everyone, because making calls was expensive. And, since customers received a bill only at month's end, One2One was worried that they would rack up high charges and default on their payment. The company understandably avoided doing business with people who might be credit risks.

Dee, however, saw things differently. A son of immigrants, he knew firsthand what it was like to live on a tight budget. He'd even had to turn down family and friends who'd asked, "Can you get me a phone?"

Around the same time, at a company-wide meeting, Dee heard the CEO talk about how the market was slowly saturating and how the company needed new ways of securing profitable growth.

Dee was keen, then, on helping both the customer and the company. He wanted to enlarge the V-Zone.

Together with colleagues, he picked up an idea that had been floating around the company but had never been properly explored: Why not let customers pay in advance? Paying in advance would eliminate the credit risk, improve cash flow and increase revenues, while getting phones to more people. That at least was the theory.

Dee's peers weren't convinced the theory would work. The finance team was worried about the profitability, the operations group was concerned about the technical issues with prepayment, and others in the company were dubious about whether customers would want to pay for calls they hadn't yet made.

Dee, though, didn't give up. His team tackled the issues one by one and came away with a business plan and a technical solution. The first meetings with senior management went badly. People felt the plan wasn't worth the risk. Dee and his team decided to run a small-scale test.

The test results were beyond expectation. Customers were happy to pay upfront. Many of these so-called lower-income customers were actually spending more money than many existing contract customers—making the company greater profit.

Dee's team returned to the company management. This time, they had their idea, a plan, and the supporting facts. Management gave the project a green light and One2One launched the first commercially successful pay-as-you-go offer.*

The news spread fast in the world of telecoms, and pay-as-you-go is still the preferred choice for about three-quarters of global mobile users.†

Dee and his colleagues helped make a huge difference to themselves, the company, and customers around the world. All because they tackled a big issue for both customers and the company. Tackling a big issue changed everything.

Your company's survival and success depend on profitably serving customers better than competitors do. You're the linchpin of your company's customer understanding. It's your job to mobilize the organization's top leaders to serve customers better. Step one: tackle big issues.

The Issues Issue

Tackling big issues is a big success driver for marketing leaders. But too few marketers are working on the really big issues inside the V-Zone—and that's both a problem and an opportunity.

Early in our study, we spoke with international CMOs about their work, asking "What do you do?" It was interesting how different people answered. Some said things like, "I manage the brand" or "I run our marketing."

Words like these don't go down well with company leaders. In the words of marketing professor and columnist Mark Ritson, "Too many marketers go into a room full of executives from their company and

* A Portuguese company also gets cited as the first to bring prepaid to market. It wouldn't be the first time that different people worked independently on a great idea in parallel: to name just one example, Newton and Leibnitz both invented calculus around the same time (and their Anglo-German relationship was a lot less friendly than ours).

† 2012 mobile industry revenue: 1,002 bn US\$, 77% = prepaid. Source: A. T. Kearney, *The Mobile Economy*, 2013.

Contribution to Marketers' Business Impact and Career Success

Business	Tackle Only Big Issues (10%)
Career	Tackle Only Big Issues (10%)

Variation in marketing leaders' perceived business impact and career success accounted for by this power as a percentage of the total variation accounted for by all 12 Powers in the neural network model (N = 1,232). In our research, what constitutes "Tackles Only Big Issues" are behaviors like: understanding what's right for the business, aligning priorities with company leaders, thinking about the big picture, and focusing on priorities.

The Marketer's DNA-study, Barta and Barwise, 2016

warble on about the need to build brand awareness and brand equity. No one gives a [%], except you—and presumably you are already on board. Good marketers work out how to link what they do with what other stakeholders within the organization want—employee retention, improved profits, clearer leadership.”

The best marketing leaders speak differently about their role. Our interviews with the most successful CMOs, then, had one thing in common: a top management viewpoint. Rather than talking about marketing, they spoke of the business as a whole. They didn't talk a lot about advertising, branding, or customer insights. They spoke about revenue, costs, and profit—and how they could serve the customer better. The real marketing leaders were concerned with one thing: how marketing helps the company achieve its biggest priorities.

In our study, tackling only big issues contributed 10 percent to both the marketers' business's impact and their career success.* The rest was explained by the other 11 powers—or chapters—in this book. Ten percent, though, is a lot. Our research has, for the first time, shown that focusing on big issues in the V-Zone (aligning important customer and

* More precisely, this factor accounted for 10 percent of the variation (in both business impact and career success) accounted for by the 12 Powers in combination. See the Appendix for details.

company needs) substantially influences marketers' business impact and career success.

In our core study, a whopping 76 percent of marketers told us they were good at finding and aligning on what matters for the business.

Unfortunately, their bosses disagreed. In the large 360-degree database we analyzed, just 46 percent of bosses believed their marketers knew where the organization was going, *and* shared this with their teams.

We weren't the only ones finding misalignment. The Economist Intelligence Unit found that 54 percent of company leaders thought their companies' marketing and business strategies weren't aligned.* The CEO of a global consumer electronics company summarized it as follows: "As a board, we worry a lot about how we can grow the franchise profitably, what our reputation is, and how to build talent. But my marketing team is more concerned with advertising and their budget. This can be pretty frustrating."

Working inside the V-Zone is key for your success. You may think you are tackling big issues—but your boss may not see it.

What's a Big V-Zone Issue?

Figuring out what the big issues are inside the V-Zone isn't always easy. Consider the following example of a large US financial institution's marketing team who worked with Thomas to strengthen their impact and contribution.

Thomas recalls: "On Day One, I asked the group to write on flip-charts the answer to a simple question, What are the main issues for your customers? The room filled with energy, and everybody wrote down their ideas quickly.

"My second question stopped the group in their tracks: What are the top three priorities of your company, as seen by the CEO—and how does your marketing work overlap with these priorities? Most participants

* Economist Intelligence Unit. "Outside Looking In: The CMO Struggles to Get in Sync with the C-suite," (2012).

had problems recalling what kept their boss awake at night. Fewer than half the charts showed even one overlapping item.

“My third question nearly derailed the workshop: For your top three marketing priorities, what’s their value to the company? Most people dropped their pens, saying that quantifying their work is hard or even impossible.”

It took a day for the team to get hold of the CEO’s priorities and match them with customers’ priorities (find the “big issues”) and then put numbers on the resulting marketing priorities.

The new focus on big issues, however, has significantly increased the team’s internal impact and reputation (and the CMO’s tenure . . .).

Many marketers work hard but struggle to make what they do relevant to their bosses. The reason? They don’t tackle big issues. They work outside of the V-Zone. We’ve all seen the symptoms: budget cuts, slow career tracks, the last place on meeting agendas, and so on.

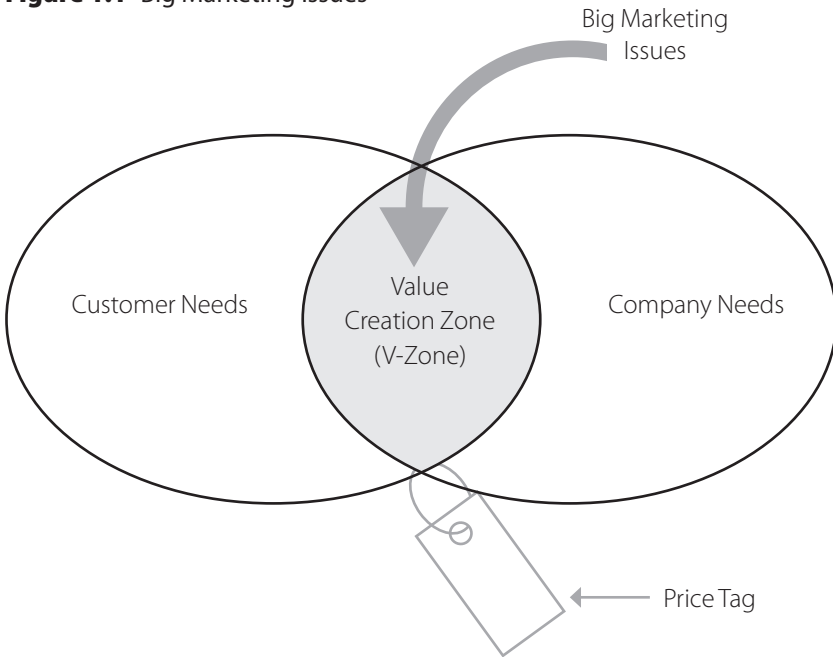
If you work on things that don’t matter to customers, you won’t leave a dent in the market. If you work on things that don’t matter to the CEO (or whoever leads your place), you may be “busy,” but you won’t be listened to internally.

As a marketing leader, aligning your agenda closely with customers *and* the company—the core of the V-Zone—is your sweet spot.

Your first priority should therefore be to find the “big issue” you can influence—an issue that tackles a top customer need and a top company need, as seen by your CEO.

One of India’s top marketers, Nand Kishore Badami, CMO India & SAARC of Cisco Systems, told us: “My team and I work hard to stay on top of customer needs. But we also know the three things that keep our president and CEO awake at night. There’s a customer journey and a company journey. Marketers must understand and align both.”

Only when you’ve identified a combination of a strong customer need and a strong company need are you onto a big V-Zone issue. And to make sure people get the importance of your issue, you must give it a price tag—an estimate of how much it’s worth (revenue, cost saving, profit, etc.). Even if it’s only approximate, big marketing issues should always have a price tag.

Figure 1.1 Big Marketing Issues

One person who knows the importance of bringing a price tag to the table is Bernhard Mattes, now CEO of Ford Germany but at one time the company's marketing manager. When Bernhard led the firm's marketing, he quickly identified a big issue: how Ford prices cars.

At the time, the hatchback and limousine versions of the Ford Mondeo, for example, had the same price. The company also included many product features in the cars, independent of whether customers wanted them or not—and charged the same price for each type of vehicle.

While all the company's marketers before him focused on marketing campaigns, Bernhard tackled a bigger, strategic issue with a large impact on the bottom line: value-based pricing. Armed with a business case (his price tag) he convinced the board to price cars based on how customers valued features, leading to lower prices for base-model cars and higher prices (and margins) for cars with extras. Many customers and the company benefited—and so did Bernhard's career.

One2One's Dee Dutta also tackled a big issue by leading with a price tag. To convince the company's management to launch pay-as-you-go

offers, he and his finance colleagues drew up a detailed analysis, showing a potential annual profit of several million US dollars.

Let's take a look at how you can find the big issues inside the V-Zone—the ones customers and the CEO care about.

Find the Key Customer Needs

If you know where future growth will come from, your CEO will listen. “Marketers need to get more involved in business strategy and be able to show where markets are headed. Highlighting sources of future growth is a way of doing this,” Christopher Macleod, marketing director of Transport for London, told us.

As a marketing leader, you probably already know your customers' top problems, needs, and wishes. Write them down, then cull that list into a Top 3.

Be sure your list is in the customer's language. Don't write sentences like “an engaging customer experience”—no customer speaks like that. Instead, use words your customers might use, e.g., “getting me my orders faster,” “letting me purchase while I'm on the train,” “washing my dark T-shirts without fading.”

After making your initial list, if you're still unsure about your customers' key needs, here are additional ways of finding them (if you're already clear, skip this section):

Find “Simply Better” Customer Issues and Latent Needs

Small continuous improvements underlie the great majority of brands and businesses enjoying long-term success. The idea is simple: they focus on profitably meeting customers' basic needs “simply better” than competitors.

A good starting point, then, is in thinking about the things that are letting your customers down—the main drivers of complaints and customer dissatisfaction. Addressing these will improve your position, relative to the competition, in customers' minds.

To get further ahead of the competition, you should also look for customers' unexpressed “latent” needs. Think about ways in which you

and your competitors could *all* do a better job. That will help you bring out things customers value but don't complain about not getting.

Can you find a way to be the first to serve these latent needs? You could end up raising the bar for the whole industry.

A great example of a brand that constantly delivers small continuous improvements is Colgate, which has been a leading brand for almost a century. That's quite an achievement for a product people use every day without thinking and with tough competitors such as P&G and Unilever. Colgate has continuously kept the market moving. Small innovations like MPF fluoride, Blue Minty Gel, and Colgate Total are just some examples. Few of these innovations would be seen as groundbreaking by consumers (although they invariably seem bigger to industry insiders). But they delivered relevant user benefits, to keep people buying the brand decade after decade.

Just think about the most successful companies you know: with very few exceptions, relentless incremental innovation is likely to be an important (if unglamorous) driver of their long-term success. That's even true for companies that started with a breakthrough innovation.*

There are numerous examples of what happens when brands don't focus on meeting customers' basic needs "simply better," but instead try to do too much. Fred Perry, supposedly a high-end sports fashion brand, was in a shambles when CEO John Flynn took over in 1993. Frantic efforts to grow had left it with a mishmash of high- and low-end shirts, as it tried to address more and more buyer segments. Customers were turning away, confused by the unclear positioning. Today, the brand is thriving again thanks to a streamlined collection, planned and executed with obsessive attention to detail. Most important, Fred Perry has refocused on being the preferred choice for its most loyal high-end buyers.

Everyone loves breakthrough innovations. They're extremely profitable and widely celebrated when they succeed—but they rarely do. *Incremental* (like *follower*) is almost a rude word—but, in reality, for most

* We know that this view is controversial and some readers may be skeptical about it. For the evidence, see Barwise and Meehan, *Simply Better*, pages 21–23 and especially *Beyond the Familiar*, pages 15–17 and 93–118.

companies, relentless incremental product and service improvements are a key driver of long-term profit growth.

Even for Apple, famous for disruptive innovation, “It was this relentless improvement that was able to beat our competitors and yield the market share that it did,” said Steve Jobs at an investor conference a few months before he died. And in 2012, chief designer Sir Jonathan Ive, responsible for the design of iconic Apple products such as the iPhone and iPad, said, “Our goals are very simple—to design and make better products. If we can’t make something that is better, we won’t do it.”

Beating the competition by being “simply better” at meeting customers’ needs, week by week and year by year, is a great way to approach finding customer issues. Why? Because it forces you to find out what matters most from a customer perspective, which is often different—and more down to earth—than the company assumes.

Consider “Big Bang” Customer Issues

Another way you could think about customer needs is to create radically new ones.

Apple’s famous *Think Different* theme still holds true for some well-known marketing leaders.

The most exciting and appealing customer innovation is a “big bang” transformation that takes the whole market somewhere completely new. Sometimes these big bang ideas come from customers. More often, customers don’t know about or expect them. For many marketers today, “big bang” can also mean redefining what category they work in and where future value creation is likely to come from. Today, for example, most customers own their cars. In the future, they may want a mobility solution including a car on demand, a bus when it’s practical, and navigation along the way.

Steve Jobs said that the iPod wouldn’t exist if he’d asked customers what they wanted. A generation earlier, much the same was said about

the Sony Walkman, allegedly first developed so that the company's cochairman could listen to opera on long-haul flights. Ben & Jerry's ice cream wouldn't exist if Ben Cohen hadn't tried unusually intense flavors and textured objects to please his friend Jerry Greenfield's poor taste buds. Other well-known entrepreneurs like Fred Smith (FedEx), Larry Page (Google), and Jerry Yang (Yahoo!) have all achieved big success by inventing new product categories.

Occasionally, even established corporations create what can be seen as new categories. Examples include IBM with its all-compatible System/360 mainframes and peripherals in 1964 and, on a smaller scale, P&G with its Swiffer cleaning system in 1999.

The world needs marketing leaders who come up with a breakthrough, game-changing vision, or a radical new way to meet customers' fundamental needs in a much better way than does existing solutions.

Which customer needs could you tackle? How or where people eat? Sleep? Work?

If you can find a profitable big bang vision: great. If not, no problem: the great majority of successful innovation is based on products, services, and business systems that are "simply better."

Find the Key Company Needs, as Seen by the CEO

Getting behind the company needs isn't always easy and it involves an important decision: "make or buy."

You could simply ask about company leaders' priorities and adopt them as your own (*buy*). But perhaps you believe your company leaders aren't aware of the key customer issues and it's your role to put these on the agenda (*make*). Both are reasonable strategies.

Not every marketing leader may be able to (or should) reshape the entire C-suite agenda. It's OK to go with the company's existing top priorities, provided these priorities will serve customers well and therefore are inside the V-Zone. That said: it's your judgment call. In any case it's

always important to understand what's on the minds of your company's most senior leaders.

Getting in sync with senior leaders takes effort. Different members of the top team may have very different views about the big issues (in which case, eliciting these differences could be really valuable—if scary). But understanding the key company issues is an important investment that you should undertake.

Perhaps one lunch with your CEO will get you the full view of the top company issues. But it may not. In fact, we suggest you talk to several senior leaders to find what keeps them awake at night.

If you've been around a while, these talks should help you confirm what you know. If you are new, short meetings with company leaders will also be a powerful way to introduce yourself. By the way, you don't have to be the CMO to go out and ask: "What are the big company needs?" That's a legitimate question even for a marketing trainee. Here are some meeting tips:

1. **Go in with both an open mind and a point of view.** Don't just say "Hi, I want to find out what the big business issues are." People may think you're clueless. Instead, come in with a point of view, presenting it as an initial hypothesis. Show you're there to learn.
2. **Make the meeting important.** At the meeting itself, show a sense of urgency. You've come to discuss the important issues, and you're keen to help.
3. **Summarize the big company issues.** At the end, recap what you understand the person you're meeting thinks are the top two or three company issues, so they can confirm or correct your understanding.
4. **Think about how you could create an alliance with this leader.** Once you know which issue to tackle, alliances become key. You'll almost certainly need their support, so think about how you could help each other.

Here's an example of a meeting summary:

Aligning with Hannah, CFO

The burning issues

1. Remain the market leader in Latin America
2. Improve profitability throughout the United States
3. Attract and retain talent, especially in Asia

First ideas for how we could align

1. Increasing the customer preference for our Lat Am products. One "lighthouse" project with fast success
2. Taking out costly product features few US customers use
3. Setting up a "best marketing team in the industry" talent project (Asia Marketing University)

People often ask us: How can I decide which big issue to tackle inside the V-Zone if I have several promising options after speaking with senior leaders? There's no silver-bullet answer to that question, but here are some criteria you can use:

1. **Biggest win-win for customers and the company.** Tackle an issue whose solution will benefit both customers and the company most. Why? Because tackling these issues will help you increase the V-Zone!
2. **Realism.** Pick an issue that appears solvable with a realistic effort.
3. **Energy.** Test your ideas with a few people. You'll soon see which ones generate the most energy. That could be the difference between failure and success.
4. **Time to success.** Pick something where you can achieve measurable progress while you're still around.

Give Your Big Issues a Price Tag (Use Powerful Data to Prove It)

“In God we trust. All others must bring data.” Ed Deming’s (possibly apocryphal) quote couldn’t be truer for marketing leaders.

Why are CFOs so powerful? Partly because they have credible data on crucial issues for the company—costs, revenues, and profits—issues important to the CEO.

But aren’t customers crucial, too? In the long term, customer data are just as important to the CEO as financial data. It’s your job to find these data points for your big issue and then share them.

Most marketing data (e.g., “brand perception” or “gross rating points”) isn’t that interesting to CEOs. These terms—if not used in the right context—are simply too far removed from the bottom line.

Find metrics important enough that the CEO wants to see them. Use these metrics to prove your big issue and set up a regular report to monitor them. We can’t underline enough how important regular reporting is for your internal standing and influence.

Just imagine the following situation: You are the brand manager of an insurance company. Customers believe your company isn’t advising them well, and in surveys rate your brand poorly. Much of what customers experience is driven by the interactions with your sales team. But the sales team’s activities are largely driven by short-term commissions—and sales doesn’t report to you anyway. What can you do?

You could, of course, send ideas and training manuals to the sales team, hoping they’ll use them. Good luck with that.

But what if, instead, you track customers’ experiences and their impact on brand perception and subsequent sales? And then suggest that the sales team should be partly incentivized on customer satisfaction, which drives reputation and long-term sales? Perhaps people won’t like your idea at first and may even challenge the validity of your big-issue data. But if your numbers are solid, you may soon find that your head of sales will start trying to improve what customers say about the sales team.

Nobody can ignore good data for long, especially if it is widely shared at the top of the organization and connects what customers think of your company and how much they buy as a result.

The most important people determining the customer experience probably don't report to you. But consistently showing the right big-issue data can help you, as a marketing leader, mobilize people much better than any command-and-control reporting line can.

In the process of writing this book, we spoke to a number of marketing leaders about the power of numbers to help expand the V-Zone. While they all agreed on the importance of data, some mentioned important real-life constraints: What if urgent decisions don't allow time to collect data? What if we can't afford proper research to prove our points? What if we have great data but our CEO still trusts his gut more?

There are no magic answers to these questions: marketing is always the art of the possible. But don't use them as an excuse to rely on seat-of-the-pants decision making. Start gathering data, test some ideas, try what works, and—over time—develop your best evidence-based approach to the big issue in your company. Here are some tips for how to go about proving your big V-Zone issue with data:

1. **Give your big V-Zone issue an absolute number (a price tag).**

No matter which issue you pick, provide an estimate of how much it is worth, ideally in money terms. If your big issue is, for example, to retain an additional two percent of customers per annum, how much could this be worth? If you want to get more of the older customers in your market, what's the annual revenue or profit potential? Some of these estimates will be hard to calculate. Work with your finance team or other experts to at least get a ballpark number.

2. **In reporting, wherever possible, link customer issues with company issues.**

For instance, the CMO of a retailer shows how customer satisfaction (a customer issue) drives share of wallet (how much people spend with that retailer as a percentage of their total expenditure in its market, a company issue). The head of marketing

for a bank tracks customer transactions (a company issue) and links them to brand preference (a customer issue). The sales and marketing manager of a midsize industrial services firm shows how customer advocacy (how likely customers are to recommend others to buy or not to buy from the company) drives long-term sales (a company issue).

3. **Keep reporting (very) simple.** It's better to have two strong numbers than ten weak ones (nobody will read them anyway).

Remember: if you have big-issue data, the eyes of the top team will be on you.

Excursion: Can You Give Your Big Customer Issue a Number with Simple Data?

We believe you can. The Net Promoter Score (NPS), for example, is based on asking customers just one simple question: How likely is it that you would recommend this company or brand to a friend or colleague? The answers provide a simple currency everyone understands, that can be used across all customer touch points (e.g., call centers, shops) and company units.

One marketing leader has even installed live screens in the office to display customer feedback from stores, call centers, and websites. The company continuously learns about longer-term customer issues and can also react quickly if shorter-term problems appear.

Inevitably, tools like NPS oversimplify reality, so some marketers—and, especially, market researchers—reject them on technical grounds. But that's missing the point. Your aim is to get people focused on profitably meeting customers' needs better than the competition, starting with reducing the drivers of customer dissatisfaction. Really simple tools like NPS (followed up with more sophisticated research) can help you achieve that.

Don't Ask for a Promotion. Ask to Lead the Big-Issue Resolution Team

Once you've identified a big issue for customers and the CEO inside the V-Zone, you need to make your case for how you want to solve the issue, so that the senior leaders entrust you to lead the execution of the plan.

Asking to lead the big-issue resolution is exactly what Sonya,* the new marketing manager for a US broadband company, did.

Her first weeks in the company made it clear: marketing wasn't a happy place. When she asked her team about life in the company, one brand manager said, "No one takes marketing seriously." Another complained, "All they do is cut our budget." The marketing department was working in a silo, isolated.

To make marketing relevant again, Sonya knew she had to get her team to focus on a big issue, and she had to take the lead. But what was the issue?

At the time, every brand in the fast-growing market seemed to have only one goal: capturing new customers through deals. Shops everywhere were plastered with alluring offers for broadband contracts. But Sonya soon discovered that buyers hated having to worry about the "best deal." Many just wanted a good (simply better) contract that they could then put out of their mind and not think about.

Sonya also learned that the company spent huge sums on getting new customers but did little to retain the profitable ones they had. This practice was digging them into a hole, especially since the market was maturing and the number of new broadband adopters was slowing, and the CEO was getting nervous about long-term profitability.

Sonya concluded that the company had to change its entire customer model from numbers-driven acquisition to more selective acquisition and market-leading retention. She did some scenarios based on her proposed new model, and even the conservative ones showed the company could save US\$2.5 million every month if they retained customers better.

Of course, the road ahead for Sonya wasn't smooth. Changing how the company acquired and retained customers would touch many

* Name and context have been changed.

departments outside marketing, like operations and sales. She faced some spirited arguments about how marketing was failing and met leaders who wanted to shift the responsibility for the company's ailing performance onto everyone else. At one operations meeting, for instance, Sonya threw gasoline on the fire by bluntly telling everybody how the company did it wrong (not realizing the extent to which her message put people on the spot).

The more she spoke with board members, however, the more interest they showed in her bold plan. The breakthrough came at a year-end management meeting. Sonya had refined her strategy based on coworkers' input. She took a deep breath, presented her plan, and in the end said, "I'm happy to step forward and lead this transition."

The meeting went well. At the end of her presentation, the CEO stood up and said, "You have fully convinced us. I want you to revamp our customer strategy."

Within two years, the company had changed its entire marketing model. Profit margins recovered. And as existing customers felt better treated, customer satisfaction grew as well. Sonya hadn't just gotten a promotion. She led a big-issue resolution team that expanded the V-Zone.

Asking to lead the team that tackles a big issue is an effective way for marketing leaders to rise up the organization. In the research for this book, it was striking how many successful marketers had made significant career steps by asking to lead a big-issue resolution.

One CMO of a consumer goods firm is another example for how tackling a big issue creates the platform for stepping up.

When she joined as a brand manager, the company had no CMO. After leading her first large projects, in which she could prove herself, she started to develop a vision of what future marketing in the company needed to look like. The market was changing and digital marketing was a huge opportunity. She had a vision for how the company should serve consumers in the future. But she was also convinced that only a real CMO could steer the required digital transition.

She developed her plan and presented it at a board meeting, together with a suggestion to become the CMO. The board agreed.

This newly promoted CMO, too, expressed her career ambitions in a very smart way. She had identified a big issue inside the V-Zone (“serving customers digitally”), developed a plan to tackle it, and offered to lead the execution of that plan. This big-issue approach laid the foundation for her career as a highly accomplished CMO.

Marketers often admit that they don’t like to ask for the next promotion. However, our research suggests that actively pursuing your career aspirations in the right way does help to drive career success. Don’t just ask for a promotion. Instead, develop a well-thought-out plan to expand the V-Zone and then offer to lead the implementation.

Excursion: Leading the Big Digital Issue

For most CEOs today, digital strategy is a big issue. Marketing leaders could play a prominent role in helping their companies shape the digital strategy—and ultimately help serve customers better. But the most common feeling “digital” produces in marketers is fear. Fear of not knowing enough. Fear of missing a key trend. Fear of appearing to be behind the curve. One CMO told us, “Digital drives me crazy. All these darned new tools I’m supposed to learn. There are ten more each day. My CTO has just bought some new data mining software and I need to come up with a view on how we could use it to extract more value from our customer data. It never ends.”

Shaping the digital strategy is complex—but it’s doable. Unfortunately many marketers confuse digital strategy (“how could digital help us expand the V-Zone?”) with tactics (“which digital tools should we use?”). That’s like choosing a car color before knowing you need a car in the first place.

Zooming between strategy and tactics—without confusing them—is a key muscle every marketing leader must stretch.

It’s OK, for example, for a young marketer to “zoom in” on key digital tools and techniques. But once you’re managing a team—never mind

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the whole marketing function—you can't possibly stay in permanent "zoom-in" mode and learn all the new digital tactics. You'll never make it and—worse—you'll miss the chance to help your company with something even more critical: defining the digital customer strategy.

As a marketing leader you must first "zoom out" and shape the strategic digital customer agenda. This means answering one big question: *How can digital help increase the V-Zone*—meeting customer needs *and* company needs? Only then should you zoom back in on the specific combination of tactical tools to deliver the strategy.

Zooming out and then in (and then maybe out again, and so on) is how the best marketers ensure that "digital" is creating value.

If you feel you aren't on top of digital, you are not alone: no one is—apart, perhaps, from a few pure-play digital-only businesses. But the following steps should help you get ahead of the digital strategy curve, whatever your seniority level.

Zoom Out

Before looking at specific digital tools, step back and ask yourself:

1. How could digital help solve a real (known or latent) *customer* need (e.g., getting the product to the customer faster, cheaper, more tailored, or more conveniently)? How can digital help us improve the quality of the product or service itself, or any other aspect of the customer's experience?
2. How could digital help tackle a real *company* need (e.g., inventing, making, distributing, or selling products better, faster, more efficiently, or more profitably)?
3. How can digital enlarge the *V-Zone* (the overlap between customer needs and company needs)?
4. What should your company's digital customer strategy be, based on steps 1–3? Team up with your CTO, CFO, or COO and maybe a select group of external partners to shape this strategy. In these debates, you'll soon see which external partners just want to sell you stuff (maybe the majority) and which can genuinely help

you develop the strategy. Ask two or three external advisers to do a digital diagnosis for you. Develop a view on timings, costs, and feasibility. In our experience, the whole process could take three to six months. Perhaps you will—after your analysis—find that the biggest growth and profit levers for digital are customer insights for innovation, or speed of production, or even—yes it’s possible—advertising and promotion.

5. Shape the digital customer strategy debate. As you’ll learn in this book, a “great answer” doesn’t mean people will automatically follow you. Implementing your digital strategy will almost certainly involve many people from outside marketing. You’ll need to discuss your proposals with all the key stakeholders, ideally by involving them in creating the strategy. Plan for another three to six months of walking the halls before you get real traction (see also Section II, Power #5). The good news is that you’ll now have a clear digital perspective and this will set you apart.

Zoom In

Strategy is key, but you also need to understand—in sufficient depth—the most important tactical digital tools for your strategy. Since you now have a strategic perspective, you should be able to eliminate most of the constant stream of digital tools that come your way and concentrate on the more doable and useful task of going deep on a few. Here’s how:

1. Select just a few (two or three) digital tools or tactics in line with your strategy for implementation. Either implement them directly or pilot them. Get some *street knowledge* too. Use the key instruments yourself for a while, get training, get your hands dirty. Even if you’re the CMO. Zooming in will come in very handy when you have to make bigger decisions about these tools—because you’ll have been there. Using most of these tools isn’t rocket science, and getting into two or three of them is perfectly feasible

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if you spend a bit of time on it. The key thing about zooming in is to be very, very selective.

2. Cull the rest. To make digital work, you'll have to bet on a few horses. If your digital roadmap has twenty-five instruments and tools, you'll likely do nothing well. Pick the two or three most critical (see number 1). Drop most of the rest and put just a few others aside that you *may* want to revisit.
3. Decide what to outsource. If you can't yet prove the impact of a digital instrument, try to have someone external run it for you on a trial basis, look at results, and then decide. Many people will try to sell you tools. The better strategy is to have someone run the tool for you for a while, and when you are convinced, buy it.
4. Do the numbers. If a digital instrument is really working, you should have the numbers (profit, revenue). If you can't get at least broad-brush numbers, you and others are probably kidding yourselves about the tool's effectiveness. Most digital marketing tools aren't about long-term brand building but about relatively fast, granular, measurable customer responses and other short-term, measurable results.
5. Pilot one instrument completely "off agenda." We have just told you that strategy determines which tactical tools you'll choose. Now for a contrary piece of advice: test one tool that may be totally off strategy but that you find interesting. In a fast-moving digital world, you can't foresee everything. It's OK to play with one new instrument at the side, see its results, and, if they're encouraging, zoom out and adjust the strategy. Since you now have an overall focus, you can allow yourself a little distraction. Rumor has it that this is how Google developed some of its most profitable innovations.

Zooming in and out will help you shape the important digital customer strategy—and master the key digital marketing tactics. Your strategic perspective, paired with firsthand tool knowledge, even

at the highest level in your company, will help you shape the digital debate. And that—we know—is what most CEOs expect their marketers to do.

As a marketing leader, ensure you only tackle big issues inside the V-Zone. When in doubt, follow the advice of Jill McDonald, a former CMO who became CEO of motoring-related retailer Halfords: “Always take yourself back to the raw principles of being in business—how are you making money; what do your customers think about you?”

Critical Questions You Must Answer

To claim your seat at the top table and to mobilize your boss for your customer agenda, you must tackle a big issue, one that increases the overlap between customer needs and company needs. Tackling a big issue is at the heart of your drive to expand the V-Zone.

- What are your customers’ top needs?
- What are your company’s senior leaders’ top needs?
- How can you prove that the big issue is big, using a price tag based on credible data?
- How can you ask to lead the effort to tackle the big issue?
- Are you zooming in and zooming out enough to lead the digital strategy debate in your company?

You can also download these questions here:

www.marketingleader.org/download

ABOUT THE AUTHORS

Thomas Barta (www.thomasbarta.com) is a former McKinsey partner and senior marketer. He speaks and writes to marketers on raising and achieving their growth aspirations. Thomas has consulted and marketed for over twenty years, in fourteen industries, in forty-five countries. He does extensive leadership research and, each year, gives more than forty keynotes and seminars for companies, industry associations, and universities around the globe. His clients include many of the world's most prominent companies, including over two dozen from the Fortune 500.

After a fast-track marketing career at Kimberly-Clark (Kleenex), Thomas joined McKinsey to help CEOs deliver profitable growth in a bigger way. As a dean of the firm's highest-rated internal program, he trained over a thousand McKinsey leaders on driving change without authority. He also shaped, for several years, McKinsey's highly successful global client relationship strategy efforts. For the CMO Fellowship Programme (a joint venture between McKinsey and the Marketing Academy to prepare CMOs for a CEO role), Thomas serves as its long-standing leadership dean.

Thomas holds a master's in business from Cologne University (OAS), an MBA from London Business School, and a master's in clinical organizational psychology from INSEAD Business School (France and Singapore).

Thomas lives in Cologne, Germany.

www.thomasbarta.com

Patrick Barwise (www.patrickbarwise.com) is emeritus professor of management and marketing at London Business School. He joined LBS in 1976 after an early career at IBM and has published widely on

management, marketing, and media. His book, *Simply Better: Winning and Keeping Customers by Delivering What Matters Most*, coauthored with Seán Meehan (IMD, Lausanne), won the American Marketing Association's 2005 Berry-AMA Book Prize and has been translated into seven other languages. Their second book, *Beyond the Familiar: Long-Term Growth through Customer Focus and Innovation*, was published in 2011. Patrick is also former chairman of Which?, the UK's leading consumer organization and is an experienced expert witness in international commercial, tax, and competition cases. He has been involved in two successful business start-ups: online market research company Research Now (sold to e-Rewards in 2009) and online brand community specialist Verve (www.patrickbarwise.com).



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