

A Marketing Mindset Is Key to CEO's Success

By Karen V. De Asis

While every employee has a stake in the overall health of an organization, it is the Chief Executive Officer (or equivalent title of the highest leadership position in the organization with operations responsibility and reporting to the Board of Directors or Trustees) who drives the company to profitable success.

Unknown to many, one of the key qualities of a successful CEO is a marketing mindset. This mindset is exhibited by many of the world's best CEOs, yet still is sorely lacking among the general population of leaders.

Here are some of the qualities of a marketing-oriented CEO.

Clear-cut vision and focused strategic thinking anchored on customer needs and wants

A marketing-oriented CEO has a sharply defined vision and mission of where to take the organization. Documented in the business plan, this vision and mission is strongly influenced by the company and its products' role in the lives and needs of its customers. The CEO is guided by an understanding of what its target market needs and wants and follows this up with an offer based on a benefit the customer understands and deems meaningfully relevant.

Despite the brand Nike's success and the power of its name, founding Chairperson Phil Knight resolutely refused to do a Nike category extension in the casual leisure shoe segment. CEO Phil Knight remained focused and steadfast to his vision. He knew the meaning of his brand among his consumers as an athletic, competitive fitness wear. Rightly so, Nike's benefit is irrelevant to the casual leisure segment.

Nonetheless, in the interest of capitalizing on the growing casual leisure segment, Nike's CEO bought Cole Haan, a brand largely perceived to be strong in the casual leisure shoe segment.

Builds business and creates demand versus preoccupation with cost-cutting

The marketing-oriented CEO's strategic emphasis is mainly demand creation. Managing costs is an inherent task borne out of the overall strategic vision and intent of the organization.

Marketing-oriented CEOs do not preoccupy themselves with cost-cutting measures as a means to raise the company's profitability. They instead concentrate on strategies that help build business and close the gap between target and actual performance. Their strategies often include identifying new segments of the market, encouraging new and more uses of the company's products or services, among others.

Further, CEOs with a marketing mindset have the capability and keen sensitivity to scan the environment and quickly grasp business-building opportunities within the parameters of the company and brand's overall vision.

While recognized as the brain that powers computers to perform quickly, reliably and smoothly, microprocessors were largely invisible to the eye. Providers of microprocessor chips were therefore dependent on PC vendors or original equipment manufacturers (OEMs) to articulate the microprocessor product's benefit.

Intel, under the leadership of its CEO Andy Grove, recognized the opportunity and value of creating its own brand name and the potential of the huge consumer market. This encouraged the company to invest billions of dollars in a communications campaign developed with Dahlin Smith and White that adopted the tagline "Intel Inside."

Today, no doubt, Intel is the top-of-mind microprocessor truly associated with cutting-edge technology, assured performance and reliability.

Recognizes the need to validate with consumers

Led by customer needs and wants, marketing-oriented CEOs are further guided but not collared by market research. Marketing-oriented CEOs recognize the value of consumer research that

draw insights and identify latent motives that can help propel organizations to offer new products and services based on customer needs and wants.

Qualitative and quantitative surveys like focus group discussions and market tracking studies further identify gaps between what service providers and manufacturers articulate in their brand promise and what consumers perceive about the brand.

The marketing-oriented CEO's barometer of information is not limited to the self, family or friends but extends mainly to the customers whose insights and feelings about the brand are scientifically drawn through professional, scientifically designed market research.

Nurtures people and team spirit

Unknown to many, a marketing orientation is not solely limited to external communication directed to the general public or a segment of the market. A truly marketing-oriented organization sells the brand vision internally among its employees. After all, it is these employees who can make the brand alive for its customers. People who believe and care about the brand are motivated to work harder and their loyalty to the organization increases. Likewise, customers are likely to experience the brand and the company in a manner consistent with what has been promised.

3M's William McKnight, CEO from 1949 to 1966, believed in "delegating responsibility and encouraging staff to exercise their initiative." McDonald's former CEO Michael Quinlan maintains, "We have to recognize that we have to empower our management teams and our crews to do what is necessary to take the best care of our customers." Concomitant to this people philosophy is a marketing orientation to continuously provide employees whether highly skilled professionals or lower skilled workers with training programs through in-house, short-course or full degree programs.

Balance of heart and mind

Marketing-oriented CEOs combine cognitive and affective skills. They bring strategic vision and direction to the workplace, sell

the vision internally and externally beyond themselves, implement with motivating force, energy and spirit and pull the entire organization together in one direction to serve the customers needs and wants.

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