



Is the Canadian Marketing Profession a Thing of the Past?

75% of marketers in major Canadian companies do not have any formal marketing education (Marketing or business degree or MBA).

TMG research of over 2000 Canadian Marketers (2005-2009)

Is there a Future?

A rather amazing statistic! Can you imagine if we changed the discipline from Marketing to Accounting? What would your trust level be for accountants?

The same research tells us that over 60% of Canadian marketers surveyed indicated they have had little or no marketing training after graduating. Coupled with the fact that in a lot of service based organizations, the marketing department is made up of non marketing personnel. For example: In one study, TMG found that over 50% of marketing staff were sourced from the organization's call centers.

You quickly come to the conclusion that...

As marketing professionals we have failed to keep our competencies honed and as a result diminished our relevancy to the organization.

To reinforce the point further, at a recent TMG Marketing Round Table CMO's had this to say on the issue of the diminishing role of marketing in organizations today.

- ➔ Business has become more complex and the Marketing profession has not embraced this complexity or understood how to address it.
- ➔ The consumer has become more knowledgeable, sophisticated, and demanding; thus, complicating the marketing job.
- ➔ The focus of the investment community and the market place, on immediate financial gratification, necessitates a short term focus on sales to the exclusion of building for the long term.

- The short-term life span of a CMO (typically 18 months) means that marketing leaders have insufficient time to define their organizational role, develop a long-term strategic plan, and immediately provide bottom line revenue and profitability benefits.

So it should come as no surprise that in many organizations, marketing is no longer viewed as providing business leadership.

Where did we lose our way? ...

Gone are the days in which the “role of a marketer” was seen as holder of the P & L, leader of the business, and advocate of the customer. Of course we are talking about the days when marketing in Canada centered on the consumer packaged goods industry. In those days, MBA’s and Commerce grads interested in a career in marketing had only one objective upon graduation: get a coveted Assistant Brand Manager Job with a Tier 1 consumer packaged goods company. Why?

Because landing that job guaranteed your training as a career marketer had only just begun.

In these organizations, freshly minted MBA’s would be trained on how to conduct market research, develop marketing plans tied back to the P & L, manage advertising and promotional agencies, critique new

creative, launch new products with end to end accountability, develop bullet proof recommendations and trained how to influence, persuade and make compelling presentations. You were the manager of a business, and as such you were able to set long term strategy and manage short term execution.

So what happened? Marketing’s fall from grace in Canada is the result of a perfect storm.

- The de-emphasis of package goods marketing in Canada and the comprehensive training that bridges academia with the business world has all but vanished.
- The move to a service economy and its complexity has resulted in Marketing being redefined as a series of specialized skills, dedicated to supporting a variety of operational delivery points for an organization. What passes for marketing is often a fragmented series of tasks that even when well executed are often disconnected from a coherent strategy.

In the 70’s and 80’s, it was not unusual to have 800 students eagerly apply for 4 positions in a Tier 1 Packaged Goods Company like Proctor and Gamble.

- Understanding of the customer has become less of a required skill in lieu of operational experience and knowledge. Internal process management has replaced proper marketing planning.

So it comes as no surprise that:

- Students are not attracted to the marketing profession in the way they used to be.
- Marketers are seen less and less as business leaders and decision makers and the career path has become less clear over the years.
- Marketing has moved from a customer focused business acumen to one of specialization

So what is the future of Marketing?

Marketing is at a crossroads. Despite our tumultuous history, the current complex market forces like globalization, regulation, and technology, provide the opportunity for “marketing” to reclaim its rightful role as the voice of the customer and generator of business value through brand loyalty and customer management.

But are we ready to take this leap into the future? The answer is YES!

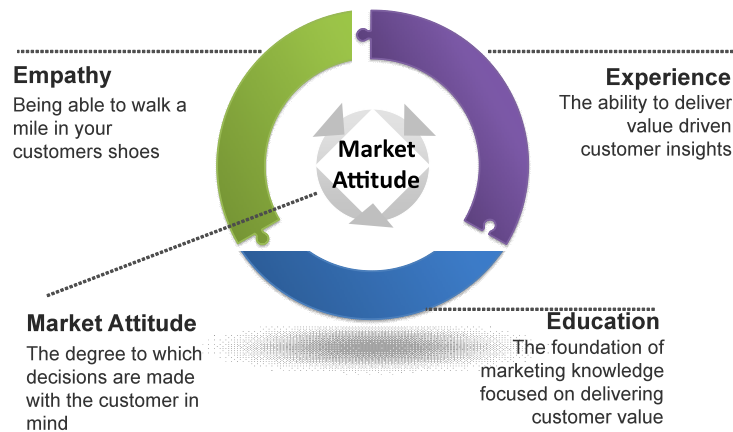
Let’s leap into the future by ensuring all Marketers develop their skills and hone their competencies. As marketing leaders today we need to take a proactive role in making this happen.

Over the last year, TMG has been focused in our work on ensuring that the customer’s voice is heard and business decisions are based on a market focused approach. In that time we have come to recognize that what is required is a new development model to ensure that Marketing plays a leadership role in organizations.

In looking at this issue, we developed a model called the Marketing Accountability Model. This model is driven by the customer and supported by the 3 “E”s: Education, Experience, and Empathy. The model identifies that by focusing on improving the marketer’s education, experience and empathy (towards the customer), organizations can become more market focused (marketing attitude) and as a result make better business decisions.

There is confusion over who owns the customer in many organizations, or more importantly who is managing the customer experience.

Marketing Accountability Model



The model focuses on competency development as the core aspect of how Marketing organizations can stay relevant and ensure the organization maintains a market focus going forward.

Education: Education is the foundation. As we stated earlier, students are not choosing marketing as a career path to the degree that they used to; so a first step is to get the best and brightest business students interested in marketing as a career. To accomplish this we need to practice our trade and market marketing. The Marketing community must then ensure that students of marketing and future business leaders are properly trained to take leadership roles in organizations. We need to facilitate the education of marketers in both academia as well as on the job to ensure Marketing is recognized as a discipline and not a series of specialized skills. The combination of academia and on the job training, when done right, will transition education into knowledge.

Experience: The Marketing community must utilize its experience as marketers to ensure we properly frame the customer's voice within the organizations we serve, allowing organizations to see the value Marketing provides. Mining a Marketer's personal experiences will lead to strong insight development that, when unlocked, can deliver new sources of value for the organization.

Empathy: Customer empathy is the ultimate goal. To reach it we must utilize education and experience in Marketing and walk a mile in our customer's shoes to truly understand them, empathize, and translate their needs into operating principles and guidelines for the business. It is no longer about ensuring good customer service, but rather truly understand their needs and how best to meet them. In an increasingly complex and

more competitive world in which customer expectations are not only rising continually, but also becoming more discriminating at the same time.

Marketing Attitude: It is generally felt that one of the most critical requirements for the future success of marketing is to understand how to organize around the customer. Marketing attitude is a critical success factor. Marketing Attitude is the degree to which an organization when making a decision makes it with the customer as the primary focus for the decision.

It can be defined in terms of 5 key components: (1) the degree to which the organization is customer focused, (2) its competitor orientation, (3) its profitability focus (margin versus value), (4) its pricing strategy (e.g. cost plus versus value), and (5) its organizational alignment in decision-making (team decision making). Ultimately, the ability of an organization to make decisions focused on the customer defines a Best in Class Marketing Organization.

So what now?

So models are great...but they take time to develop and perfect. What do organizations do to foster a greater focus on Marketing today?

First, we need to recognize the need to address this issue. Second, if in your organization the Marketing Head is not at the decision making table it is imperative they gain the support of someone who is. Without that, there is no next step.

Assuming that is established the Marketing organization must do 5 key things:

1. Hire into the organization Marketers who have been trained and believe in marketing as a business calling, not as a career change. In all likelihood they have been trained in Marketing, have an extensive education in marketing and it is what they want to do for the business career.
2. Ensure Marketing personnel gain experience working in areas other than marketing. This includes sales, service, and operations. Do this by developing a cross functional training program with a clear path back to marketing. This is critical if they are to ever understand the customer experience and how the organization can better manage it going forward. It is also critical to their organizational "credibility" i.e. - being seen as Marketer who "gets it", and thereby being perceived as a business leader.

3. Marketers must have a full rounded experience in marketing. It is not just about Marcom, but also about doing analysis, conducting research, driving customer insights, doing strategic planning and where possible, managing full P & L's. Only in this way will Marketer's be able to fully understand how to better enable the business to make more customer focused decisions.
4. Marketer's must continually expose themselves to the customer and their needs and wants. This is essential for them to identify opportunities for their organizations to better serve the customer, and ensure the organization takes a more customer first approach to everything they do.
5. Marketer's must continually define their role in the organization and gain agreement. This is critical for self preservation. Too often Marketer's assume their role and find out subsequently that no one really agreed to their role and they were perceived over time as empire building or interfering in other departments' duties. (Note: Marketer's usually found this out as they were being escorted out the door!).

In summary, Marketing is no longer considered a given in many organizations like Sales, Finance and Operations. While there may still be a marketing department in an organization, it may not be seen as an essential function in determining the success of the business. No longer can Marketer's take their role for granted nor can they view themselves as essential for the business. They must define their role and take the necessary steps to ensure their organization sees the value and keeps them at the decision making table or 18 months, is going to seem like a long tenure going forward!

We need to market Marketing if we wish to maintain it as a discipline and have a place at the dinner table of decision making!