

How Competent a CMO Are You?

Being the CEO of an organization sometimes means you are also the CMO, the Chief Marketing Officer. When you are wearing many hats it is easy to overlook some elements of the job which are essential to maximizing performance.

Here is a test for you to evaluate yourself on your CMO competency level.

Do you allocate marketing dollars as media opportunities arise?

If you are responding to every call from a local media sales representative you are not at the top of your game. You need to have an established fiscal budget and predetermined promotion program. Too many firms react to opportunities and ask the critical question at year's end. "Why did we spend so much on marketing?" Without a 12 month, or even an 18 month, budget and plan you run the risk of over spending and investing in low return marginal opportunities.

Is your marketing/sales plan in writing?

The plan needs to detail specific tactics, responsibilities, timing, budgets, products to be supported, and sales force allocations to key prospect areas. All of this needs to be tied back to the written company strategy. You do have a written business strategy, don't you? By making the business strategy plan cover a 24 or 36 month period you can better anticipate your company's needs.

Do you assume the advertising programs; even if not generating sales are improving the company's image and brand?

If you do not have specific targeted business generation goals for your budgeted programs, you can easily fall into the trap of justifying expenditures as "building your brand." The pitfall of "building brand" thinking is that without sales your "brand" will soon be out of existence. Spending marketing dollars needs to be done in a similar manner as your company invests in other long-term capital assets. The return may not be certain but you should know what your targeted business volume is for each program. By developing this discipline, which you should refine each year, you position yourself to develop a positive ROMI, return on marketing investment, for each program.

Do you know what your customers want without conducting a research study?

Many executives take pride in the fact that "they know what the customer wants since the executive talks to them everyday." A competent CMO needs to realize the limitations of this type of information. Talking with customers is very important. But what about the bad news? Most of the time the customer is reluctant to divulge problems and the CEO is usually not receptive to hearing about them. This is just one of the benefits of professionally conducted research studies. Realize that your customers are being called upon daily by your competition. They are probing into all the aspects of your service, price, quality, responsiveness and guarantees. Should you not have this same information? Without it you are providing your competition an open field to capture your profitable customers.

Are you confident your sales force has all the tools they need to do the best job?

How extensive is our sales training program? Is it a yearlong program or do you "fit it in" when the schedule allows? Do you ask yourself why should you take your sales force out of the field and train them when they should be selling? Short-term thinking like this often leads to long-term sales declines.

Your sales team needs the latest information. Smart CMOs realize this and train their people on the products, the competition's products, and the changing markets, as well as listen to the sales force for insights about how the customers and prospects want the company to improve products and service.

Is your current product line meeting the needs of your customers?

Sit back and be content with your current product offerings and watch your competitors gain on you. Globalization, Internet communications, e-business and JIT customer requirements call for a proactive marketing effort. By staying in front of the sales curve and having the vision to identify opportunities you are leading the business development effort not reacting to it.

Is your creative communications the same as they have been for the past three years?

Look around you. Post on the wall the product communications of the competition, their brochures, their product catalogs, their ads, their newsletters. Do your materials stand out as being more impactful, informative, and reflect the forward thinking you want to convey to the market? It may be time for a professional overhaul. Don't skimp in this area. Your materials make a lasting impression on you customers and prospects.

Do you walk around and see what is happening at the shipping dock, the front desk and the service department?

Marketing is more than brochures, research, sales management and forecasts. It is also keeping in touch with the pulse of the organization and knowing how all the parts are working together to reach the ultimate goal - customer sales and satisfaction. The best CMOs are in touch with all departments in the organization and can converse on how different issues will be impacting the marketing effort.

Successful CMOs make time to address the critical issues which will build the business. Their less competent counterparts react and rationalize when sales fall short of business projections. Excel in your marketing efforts and be the ECMO, exceptional chief marketing officer, in your industry!

By Rich Delaney