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From marketing officer to growth leader: Luxury brands reinvent roles

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Terri Maxwell is CEO of Share On Purpose

By **Terri Maxwell**

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Around the world, a slew of iconic luxury and household brand names have stepped forward to transform and reinvent their marketing leadership. This significant shift in strategy portends a new approach to luxury marketing in 2018 an approach that prioritizes long-term growth and brand vision over short-term sales.

Luxury brands, from Kering's labels to Burberry, are electing to create marketing growth leadership positions in conjunction with, or replacement of, the more traditional executive marketer.

Iconic household-name **Coca-Cola** has done the same. This move represents a significant pivot away from a marketing-and-sales-driven approach to a growth leader executive strategy, and it may well define 2017 as a year of transformation.

In brief, the chief marketing officer (CMO) of yesteryear is ceding the catwalk to marketing growth leadership, strengthening brands' commitment to long-term excellence over shorter-term sales strategy.

CMO to CGO

As more luxury brands continue to shake things up to increase sales and market share, the role of chief marketing officer as growth leader will continue to be at the forefront of CEOs' minds.

The stakes are higher than ever, both for the luxury brand and the CMO. **Recent research** reveals that more than one-third of CEOs say the CMO is the first on the chopping block if growth targets are not met.

Research data shows this trend is poised to continue through 2018 and beyond as companies work to align their sales and marketing functions.

The focus on growth and innovation over marketing represents an increasing focus on metrics and sales-driven leadership, which is proving to be integral to success.

C-level executives can propel their brands forward through the next year by moving from a marketing mindset to that of a luxury growth leader.

Growth leader roadmap

Shift mentality. Growth leaders think differently than marketers. Instead of focusing simply on sales, growth leaders focus at least 50 percent of their time on disruptive growth, harnessing their extensive knowledge of customer desires and demand to leverage existing business models to create new business models and value chains that offer greater profit potential.

Think Burberry's digital kisses, Hugo Boss' partnership with Uber, Boss On Demand, the Bulgari Vault mobile application, and Charlotte Tilbury's "Scent of a Dream" virtual reality experience.

Luxury conglomerates such as Kering, which **included disruptive innovation as a cornerstone of its 2025 sustainability strategy**, increasingly value this kind of innovative shift.

Growth leaders also use expanded skills such as reverse-engineering customer experiences for value and acting quickly on new trends to strengthen the performance link between marketing and sales.

Researchers agree this kind of alignment is key to bridging the gap between branding strategies and sales.

"Whole-brained' CMOs are in the minority but they will soon be the competency standard for both B2C and B2B companies," **wrote Forrester researchers in an October 2016 report.**

It is this whole-brained mindset that will enable growth leaders to propel their companies forward by designing engaging experiences and mastering the technology and analytics necessary to deliver those experiences to customers.

Shift metrics. Growing luxury brands is more than increasing engagement and impression data.

The metrics used to evaluate the traditional marketer's success brand awareness, clicks and calls are not about the financial health of the company.

To create the kind of sustainable growth that matters, growth leaders should partner with the marketing team to focus on the metrics that matter: conversion rate, cost of new customer acquisition and ROI.

Revenue growth and increased profit margin are the new keys to measuring effectiveness, just as new products and services are crucial to securing the number one or two position in a niche market.

Make a difference. Recent **research** reveals that 80 percent of marketing executives are tasked with revenue creation, yet barely one-third can point to measurable results.

Yet, **research** also reveals that companies with C-level marketing executives perform 15 percent better overall.

JOINING THE unstoppable movement to shift sales from pure marketing tasks to an evolving and innovative strategy for growth will enable luxury brands to get the best of all worlds better overall performance in a consumer-led, digital marketplace and sustainable, measurable growth.

*Terri Maxwell is Irving, TX-based CEO of social impact-focused business cultivator **Share On Purpose** and a platform of five additional companies. Reach her at tmaxwell@promoteonpurpose.com.*