

# North American Management Briefs

Published by:



LEHNEN, MOLLAN & Associates

Channel Distribution and Pricing Consultants

Phone: 1-815-226-1666 www.LMAUSA.com

## You Should Know...

### Getting Sick is Expensive

In 2010 Americans spent \$2.6 trillion on healthcare, making US spending on healthcare equivalent to the fifth largest economy in the world reports the *New York Times*.

**The Point:** I guess we knew it was expensive but still, that is a surprising number.

### Really Silly!!

A 92 year-old great-grandmother in the UK was refused service at a liquor store because she didn't have a photo ID. Diane Taylor said, "I thought the cashier was complimenting me." She left empty handed saying, "No one can convince me I look under 25."

**The Point:** Carry a photo ID I guess.

### Greek Tax Revenues

Research revealed there are more Porsche Cayennes registered in Greece than there are taxpayers reporting an income over \$68,000 a year.

**The Point:** The Greeks really know how to stretch a dollar.

### SAT Reading Score

The average SAT reading score for the high school graduating class of 2011 is 497, the lowest since 1972 reports *The Washington Post*.

**The Point:** This is troubling as poor reading skills are an impediment to learning anything else.

### November's Quote

"The difference between stupidity and genius is that genius has its limits."

Albert Einstein

## A Career in Marketing?

Many of the author's undergraduate and graduate students aspire to become marketing executives. Excellent compensation, the possibility of traveling the world, and the lure of being able to create/manage marcom programs all make the job attractive.

Unfortunately, being a chief marketing officer has become significantly less attractive over the last decade. Why? Job tenure. A US corporate marketing executive responsible for branding, communications, distribution, forecasting, and other activities now "lasts" less than three years.

This is not because the executives have become less competent, but rather the position has become more complex. Marketing in general, and consumer marketing in specific, is fueled by new technologies such as social networks, data mining technologies, and "relationship marketing" vehicles that allow direct communication with customers, a prospect that is both exciting and scary.

Add to that the global growth aspirations of most companies and you'll see how complex the job has become.

So what is a marketing executive to do not just to survive, but to prosper? Well *Fortune Magazine* recently interviewed dozens of CMOs and found the most successful have three things in common.

**1. They are leaders.** They have the ability to rally all of the troops...not just those in their own departments. Thanks to the internet, marketing now cuts across entire organizations from customer service to the IT department. Every employee has to be an ambassador for the company and communicating this and the company's position is the job of the CMO.

- 2. They are futurists.** They understand end customer behavior be it consumer or B2B. They do this by watching their competitors (both direct and indirect) closely in terms of their technology, product offering, distribution process, positioning, pricing, etc. They also visit end customers.
- 3. They are number crunchers.** They track the financial returns of specific products and marketing campaigns and use the data to bolster the ROI. Examining spreadsheets and "knowing the numbers" (profitability per product, per distribution channel, per order size, etc.) are something they all have in common.

**The Point:** So what is a chief marketing officer to do other than to keep his/her resume "dusted off?" Avoid the big mistakes, especially those that result from an excess of ego or hubris.

We are talking about overly optimistic sales forecasts and M&A integration timelines. Positive thinking is an asset, but it causes many CMOs to overstate their capabilities, the single largest factor in their high turnover.

### The 10 Countries with the Highest Prison Populations

Country	Total Prisoners In "000"
USA	2,259
China	1,566
Russia	892
Brazil	420
India	358
Mexico	217
South Africa	166
Thailand	165
Iran	158
Ukraine	150

Source: International Centre for Prison Studies