

WHY MARKETING REPRESENTATION IS VITAL FOR CORPORATE BOARDS?





In a nutshell:

The article explores the crucial role of marketing representation on corporate boards, emphasising its transformative impact. Traditionally dominated by finance and law backgrounds, boards are recognising the necessity of marketing expertise for sustained success. The under-representation of marketing is attributed to a misperception of its value.

Incorporating marketing professionals enhances market-oriented decision-making, customer-centric focus, brand management and innovation. Supported by a study indicating superior sales growth in firms with marketing-savvy board directors, the article advocates prioritizing marketing representation for strategic alignment, effective communication and overall financial sustainability. Recognising marketing's unique skill set is vital for navigating the competitive landscape and achieving long-term corporate objectives.

Marketing representation on corporate boards is gaining recognition. The inclusion of professionals with marketing expertise and experience in the decision-making bodies of companies is becoming increasingly important. However, there still seems to be an under-representation of Marketing. The root of the issue essentially boils down to an underlying misunderstanding and under-valuation of what a marketing board director can contribute.

Traditionally, corporate boards have been dominated by individuals with backgrounds in finance, law and general management. However, there has been a growing recognition of the importance of marketing in driving business growth and creating customer value. Including individuals with marketing expertise and experience in decision-making bodies can translate into demand-generating growth such as innovation, customer experience enhancement and customer loyalty improvement.

It is time for organizations to recognise the unique skill set that marketers bring to the table and to adjust the perception and re-evaluate the importance of what marketing brings to the boardroom.

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IMPORTANCE OF INTEGRATING MARKETING PROFESSIONALS ON CORPORATE BOARDS— ACCORDING TO A STUDY BY THE MARKETING SCIENCE INSTITUTE, FIRMS THAT HAD MARKETING-SAVVY BOARD DIRECTORS ACHIEVED GREATER SALES GROWTH COMPARED TO THOSE WITHOUT SUCH REPRESENTATION.

Importance of integrating marketing professionals on corporate boards— According to a study by the Marketing Science Institute, firms that had marketing-savvy board directors achieved greater sales growth compared to those without such representation. Including marketing representation on corporate boards can bring various benefits. They bring a unique understanding of consumer behaviour, branding strategies, digital marketing and other aspects crucial for company success in a highly competitive marketplace. By incorporating marketing strategies and customer-focused viewpoints into overall business strategy, boards can stay ahead. While some organisations have recognized the importance of marketing and actively seek to include marketing professionals on their boards, others have been slower to adapt. It is time to prioritise marketing representation on boards for the benefit of the company's success.

Benefits of having marketing representation on corporate boards

1. Market-Oriented Decision Making

Marketers bring a unique perspective to the boardroom, focusing on understanding customer needs, market trends and competitive dynamics. Their knowledge and expertise can contribute to informed decision-making on marketing strategies, product positioning, pricing and promotional activities, ensuring that the company stays competitive and relevant in the marketplace. Their presence can lead to more market-oriented strategies and informed decision-making, which helps a company stay ahead of the competition.

2. Customer-Centric Focus

Marketing representation on boards can bring a stronger customer-centric focus to discussions. By considering customer preferences, behaviour and expectations, companies can tailor their offerings to better satisfy customer needs, resulting in increased satisfaction, loyalty and ultimately higher revenues. Having this perspective at the board level ensures that decisions are aligned with customer needs, enhancing the organisation's ability to stay customer-centric in its approach.

MARKETING REPRESENTATION ON THE BOARD HELPS ALIGN MARKETING PLANS AND ACTIVITIES WITH THE OVERALL STRATEGIC DIRECTION OF THE COMPANY. IT ENSURES THAT MARKETING GOALS AND OBJECTIVES ARE IN LINE WITH THE BROADER CORPORATE STRATEGY,

3. Brand Management and Reputation

Marketing representatives can contribute valuable insights into brand strategy and reputation management. They understand the importance of maintaining a positive brand image and can guide discussions on how corporate decisions may impact public perception. They play a vital role in managing and building the company's brand and reputation. Having marketing representation on the board ensures that brand values and messaging are consistent and effectively communicated throughout the organization. This helps in creating a strong brand image and maintaining a positive corporate reputation.

4. Innovation, Product Development and Growth

Marketing professionals are often at the forefront of identifying new market opportunities, consumer trends and innovative marketing techniques. They are also often closely involved in product development. Their involvement in board decision-making can contribute to the development of growth strategies, new product/service launches and effective marketing campaigns, leading to business expansion and increased revenue. This can foster a culture of innovation, leading to the development of differentiated offerings and drive sustainable growth.

5. Market Intelligence and Market Research

Marketers excel in gathering and analyzing market intelligence, including market trends, customer preferences and competitive insights. Their ability to monitor industry trends, assess competitive landscapes and identify emerging opportunities make it possible to support strategic discussions and help the board stay ahead of market shifts. Having marketing representation on boards ensures that companies can leverage market research effectively

to make informed strategic decisions, optimise marketing investments and adapt to changing market conditions.

6. Effective Communication Strategies

Marketing experts are adept at shaping and implementing effective communication strategies. Having their input at the board level can enhance the organisation's ability to communicate its mission, values and key messages to stakeholders, including customers, investors and the public. Their presence on the board also ensures that effective communication strategies are integrated into the overall corporate strategy, leading to better customer engagement, increased brand visibility, and improved stakeholder perception.

7. Strategic Alignment

Marketing representation on the board helps align marketing plans and activities with the overall strategic direction of the company. It ensures that marketing goals and objectives are in line with the broader corporate strategy, leading to better coordination and integration across departments. It also ensures that marketing initiatives support broader organizational goals and contribute to the company's success.

8. Revenue Growth and ROI Focus

With marketing representation, the board can better evaluate marketing initiatives and their impact on the organisation's financial performance. Marketing representatives are often focused on driving revenue growth and optimising return on investment (ROI). Their presence on the board ensures that strategic decisions align with the company's revenue goals and contribute to long-term financial sustainability. Marketing professionals can provide insights about key metrics, ROI analysis and marketing effectiveness. They can champion the importance. □