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The Decline and Dispersion of Marketing Competence

In many organizations, the corporate marketing function has lost budget, head count, influence and confidence, resulting in strategic consequences that run deeper than many senior managers may realize. The question is not how to rebuild the marketing center but how to disperse marketing competence across the organization.

Frederick E. Webster Jr., Alan J. Malter and Shankar Ganesan

In many companies, the marketing function is in steep decline. Over the last decade in particular, there has been a marked fall-off in the influence, stature and significance of the corporate marketing department. The trend toward integrated marketing — much discussed in earlier decades — seems to have been overtaken by a counter trend toward *dis*integration.

You do not have to go far to find tales of woe. For years now, conferences and workshops for the marketing profession have been awash in advice about how to determine and demonstrate a return on investment for the function. Marketing departments have been the scenes of pep-rally-like meetings one moment and hand-wringing layoff announcements the next. Chief marketing officers — a title that cynics believe came into being as a cover for deep cuts in marketing headcount — have an average tenure of less than two years, according to surveys of 100 top-branded companies by executive recruiter Spencer Stuart.[1] Every marketer, it seems, has a personal story to tell: the chairman who axes next year's brand-development program without debate or discussion; the senior marketing vice president who hosts a "Marketing Day" for his global team and two weeks later is fired. What's more, recent polls by *Chief Executive* magazine indicate that 35% of CEOs claim their marketing organizations need improvement.[2] A recent article in *The McKinsey Quarterly* said that more than half of European CEOs interviewed were unimpressed by their marketers' analytical skills and business acumen, saying in essence that marketing people "don't think like businessmen."[3]

Financial pressures, a shift in channel power and marketing's inability to document its contribution to business results have combined to force reductions in marketing spending

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Most respondents believe a quarterly earnings focus impairs the marketing function. Said one: "Marketing is seen as a variable cost ... that is always in danger of being cut."

and influence and to accelerate a transfer of funds and responsibilities to the field sales organization. (See "Forces Shaping Marketing's Role.") In practice, many elements of the central marketing function have been "centrifuged" outward and embedded in functions as diverse as field sales and product engineering that are closer to customers. Today, marketing in many large companies is less of a department and more a diaspora of skills and capabilities spread across and even outside the organization.

On the next few quarters' profit-and-loss statements, the decline of corporate marketing budget and headcount may not be a bad thing. Companies are under excruciating competitive pressure and cost containment will clearly remain a priority. But longer term, a great deal is lost when the marketing center disintegrates. Technical and sales personnel may be asked to handle many elementary marketing tasks, and many of them can. But marketing skills are not part of their training and experience, so they are missing a broader sense of what marketing can contribute. Absent a vocal champion for reinforcement and development of marketing skills across the company — without a corporate marketing "center of excellence," in effect — the company is less likely to be able to identify and isolate future customers and customer needs and will be less efficient at creating, communicating and delivering value to them.

Restoring the well-resourced corporate marketing center is not the aim here. Marketing bureaucracy has been part of the problem in the past; and it is clearly not part of a future solution. Instead, corporate and business-unit executives should confront troubling questions about the attrition of marketing competence and find ways to restore it.

Our series of in-depth interviews with leading marketing executives and chief executive officers points to eight distinct factors that contribute to marketing's waning influence. (See "About the Research," p. 38.) These, in turn, highlight four major sets of issues and their implications for the future of marketing management.

The Current Status of Marketing Management

Marketing affects business operations and financial performance in many ways — as an organizational *culture* focused on satisfying customers; through its business *strategy* mandates of segmentation, targeting and positioning; and with its *tactical* dimensions of demand stimulation, including promotion and pricing.

In its earliest organizational forms, beginning in the 1920s, marketing had developed in field sales support and as product and brand-management activities in consumer packaged-goods companies. It would be another three decades before it emerged as a full-blown function in its own right, heralded by the customer-oriented "marketing concept" articulated by management scholar Peter Drucker in the 1950s. Marketing management evolved to include key strategic decisions in market segmentation and targeting, product management, pricing, communication (including product positioning and branding) and distribution channels. With the dramatic rise of formal strategic planning in the 1970s, marketing management often became intertwined with strategy and business development at corporate levels, only to suffer a loss of identity and influence when the strategic planning fad ran out of steam in the 1980s.[4]

Many broad environmental forces have buffeted the marketing discipline in the last two decades. Among them are the rapid globalization of business and the concomitant rise in competitive pressure, the drives toward cost-cutting and downsizing, a focus on short-term financial measures, the reach outside the organization's four walls to outsourcing and strategic partnering and the myriad improvements in telecommunications and information technology coupled with the rise of distributed computing. Marketing observers were once optimistic that such forces would reinvigorate the function. For instance, there was a belief that the move from a product-centric, internal focus to a customer-centric view would expand marketing's sphere of influence. There were similar hopes for the shift from transactions as the units of analysis toward longer term buyer-seller relationships. Yet for the past two decades, marketing's leverage has continued to shrink. Eight core factors provide clues to how it can be restored.

The Uncertain Definition of Marketing Our discussions with respondents typically began with a consideration of the meaning of the word "marketing." Usually, they would answer the first interview question, "How has marketing been changing in your company in the past three to five years?" with a comment along the lines of "That depends upon what you mean by 'marketing'."

The definition tends to be company-specific, often guided by the personal view of the CEO. The chief executive of a consumer packaged-goods company told us: "I have always defined

marketing as brand management plus sales." Another explained that his marketing department had gone from "advertising and merchandising" to being part of the sales and service division. And one respondent cited two definitions: How marketing is *specifically* positioned in the company organizationally, and how the company *more generally* attempts to be market-driven and customer-oriented. Industrial marketers, and to some extent marketers of nonpackaged consumer goods, tend to equate marketing with sales. The general thrust of respondents' comments was that it is hard to identify people with specific "marketing" responsibility.

Chief marketing officers were united in positioning the definition as a major issue to be addressed. Their point: It is hard to win budgetary support for marketing if it remains an ambiguous concept with unclear responsibilities and makes an uncertain contribution to the company's financial performance. Part of the confusion reflects marketing's multiple dimensions of culture, strategy and tactics. It is tough for managers to conceptualize marketing simultaneously as a pervasive voice for the customer, a strategic lever for market targeting and product positioning and a tactical weapon for everyday pricing and promotion battles. The cultural notion that "marketing is too important to be left to marketing people" makes it very difficult to define marketing as a distinct management activity.

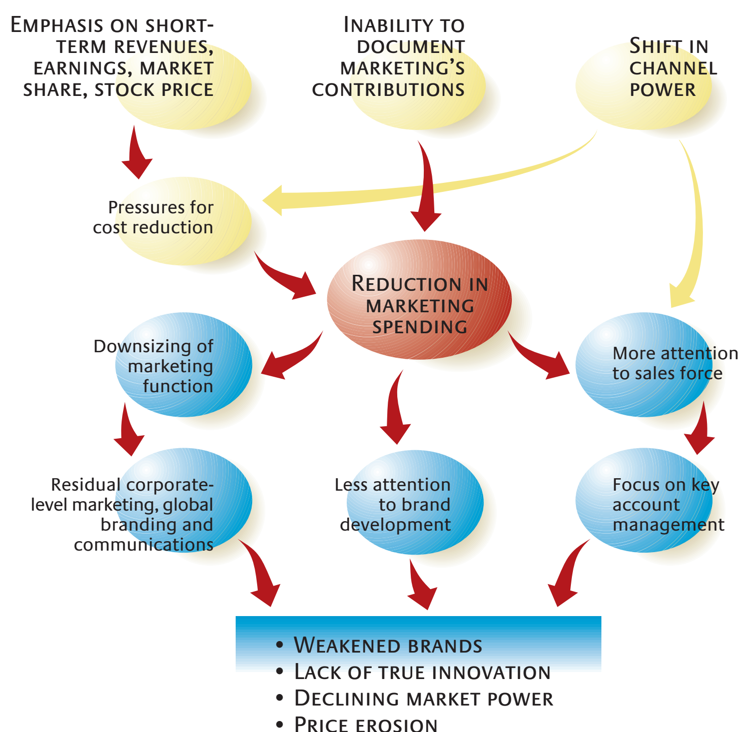
There is a central tendency for marketing to be "*dis*-integrated" and exported to various parts of the organization. An overriding theme in the executives' remarks is the current bifurcation of marketing between the corporate and strategic business unit levels. (See "The Dispersion of Corporate Marketing's Traditional Competencies," p. 40.) Of major concern are two marketing responsibilities that no longer fit neatly into either category: the development of marketing skills and competence and new business development. The danger is that those functions may be significantly diminished as a result of this realignment. At the top of the corporate organization, corporate marketing responsibility has been redefined as global brand development and stewardship and overall marketing communication strategy. Most other traditional marketing activities, including day-to-day brand management, key account management, product development, pricing and distribution, have been reassigned to the strategic business units. Our interviewees revealed that the greatest diversity appears in the market research and market intelligence function.

The Tyranny of the P&L It is well-known that corporate management acquired a much sharper focus on financial performance measures in the 1960s and 1970s. The 1990s stock market boom and the subsequent bear market, combined with higher stock ownership in general, focused attention on stock prices and the drivers of those prices. One of our respondents referred to the dominance of short-term financial metrics as "the tyranny of the P&L."

Most respondents concurred that such short-term measures dominated their management decisions to the detriment of strategic thinking, customer focus and brand equity. They were all but unanimous in their opinion that a quarterly earnings focus hurts long-term business performance and impairs the effectiveness of the marketing function, specifically in terms of funds available for marketing activities, such as market research, media advertising, product development and trade shows. Said one: "Marketing is always seen as a variable cost … so its budget is seen as soft money that is always in danger of being cut." More ominously, most believe that "short-termism" impedes product innovation and reduces investment in brand and new business development. The consequence can be that major new business opportunities are postponed or lost altogether.

Forces Shaping Marketing's Role

Financial pressures, a shift in channel power and marketing's inability to document its contribution to business results have combined to force reductions in marketing spending and influence — with significant consequences for marketing's impact.



The Inability to Measure Marketing Productivity Closely related to the issue of short-termism is the widespread realization that marketing has a difficult time justifying its expenditures in terms of direct return on investment, especially as many of the desired outcomes are long-term, multiquarter results that are by definition difficult to measure. Marketing managers in our sample criticized themselves for not doing a better job of linking marketing actions to measures of profitability.

It is difficult to separate cause and effect here. Do strong brands drive the investment in marketing performance measures or does the availability of good data enable better measurement and, in turn, lead to more effective marketing and the development of stronger brands? Our hypothesis is that each factor continually reinforces the other. There is an equally strong concern — very relevant for the consumer packaged goods and retail sectors — that the relative ease with which short-term marketing programs can be measured has led to much heavier use of retail trade and point-of-purchase promotions as well as consumer price incentives, taking funds away from initiatives that help to build and maintain brand equity. Ford Motor Co. and General Motors Corp. provide a strong case in point. The recent downgrading of their debt ratings to junk status is widely believed to be related to their reliance on rebates, lack of substantial new product innovation and weak brand-development activity.

The ability to track marketing performance depends on the circumstances of particular industries. One consumer marketing respondent noted that his company can measure the effectiveness of its promotional expenditures *daily,* using point-of-sale tracking data from each major retail customer. In industrial markets, with fewer customers, fewer transactions, longer purchase-decision cycles and less-direct relationships between marketing actions and sales results, the effects of marketing expenditures can be much harder to track.

Shifts in Channel Power and Loss of Manufacturer Control This factor is seen clearly in large retailers such as Wal-Mart, Home Depot, Target and Staples; in the important e-commerce compa-

About the Research

The observations in this article are based on the senior author's ongoing research on the role of marketing in the corporation and on a field study reported in the paper "Can Marketing Regain Its Seat at the Table?" (F.E. Webster, Jr., A.J. Malter and S. Ganesan, Marketing Science Institute Report No. 03-113, MSI Working Paper Series, No. 03-003, pp. 29-47.) The field study was guided by three objectives: (1) to gather evidence on the nature of changes occurring in the organization and on the influence of marketing activities within large corporations; (2) to identify the forces driving changes in the organization of the marketing function; and (3) to examine whether marketing competence in more decentralized and more flexible organization structures finds its way into the value-creating processes of innovation, customer relationship management and supply-chain management.

The choice of research methodology — personal interviews with senior executives — was based on the need for respondents to have a broad enough perspective and deep enough familiarity with the role of marketing in a large organization and its changes over time. Given the exploratory nature of the research, the complexity and subtlety of the research issues and the diversity in the terminology used by different respondents, flexible questioning was required (within the confines of an interview guide) so that ambiguities could be addressed and meanings clarified.

We collected data from two sources. First, in-depth interviews were conducted with CEOs and senior marketing executives in a diversified sample of twelve corporations. Three companies had annual revenues in the $100–$200 billion range, eight were in the $2–$100 billion range, and one had revenues of less than $1 billion. Industries represented spanned both consumer and industrial markets and a mix of products and services, including automobiles, chemicals, electronics and information technology, food, household products and toys. We also interviewed a senior manager in a leading marketing consulting firm. Second, the senior author participated in a two-day interactive forum for 40 senior marketing executives and a small number of academic participants, all of whom were invited. The discussions focused on the CMOs' experiences with the changing role of marketing in their corporations.

Detailed notes were taken during each executive interview. From those notes, and from notes taken on the discussions in the interactive CMO forum, 24 common themes were identified. In further analysis, related concepts were aggregated into eight subject categories that are used as the subheadings for our observations in this report. The findings are based on central tendencies among the companies studied, though not true of every company. They are further supported by observations from the marketing literature and business press, but are not meant to assert that these issues will be relevant to all companies. The identities of respondents and their companies have been disguised to preserve their anonymity and safeguard confidential information.

> **“Marketing now has more to do with working with retailers and in-store stuff. Mass media have declined in importance. In fact, nobody can define what ‘mass media’ means anymore.”**

nies such as Amazon.com; and in the Internet-based operations of traditional direct marketers such as Lands’ End and L.L. Bean. Their leverage has led to huge shifts in channel power.

Compounding the issue of reduced leverage for manufacturers are catalysts such as widespread vendor consolidation; the evolution of Internet-based auction sites for many industrial goods and services; the formation of buying groups in many industries, including independent hardware stores, hospitals and drug and grocery retailers; mergers among distributors; and procurement strategies that call for fewer vendors for a given product or service.

As a consequence, producers have placed more importance on customer relationship management, trade promotions and the field sales force. The shift in channel power also casts the role of brands in a different strategic context. Manufacturers’ brands are increasingly viewed as a key element in the three-way strategic relationship among manufacturer, reseller and end user, rather than simply between manufacturer and consumer.[5]

The Increased Demands of Customer Relationship Management Our interviews confirmed the significant shift toward customer relationship management as a central concern of marketing management. This is true for consumer goods companies, where the customer is now defined as the retailer, not the end-user consumer, and for industrial companies where it is not uncommon for a small number of customers to account for more than half of the company’s revenue. For some industrial marketers, as few as three large customers can account for over 50% of revenue. The CEO of a major packaged-goods company told us that his six largest customers (including Wal-Mart, Target and Kmart) account for the majority of his firm’s revenue. The heightened importance of customer relationship management and the greater risk in being dependent on fewer, larger customers are together forcing marketing responsibilities out into the field sales organization. Consider IBM Corp.’s Global Services unit, where the field-sales executives who run the organization’s major accounts now have profit-and-loss and budgetary responsibility.

Moving Resources From Marketing to Sales In a world of flat or falling marketing budgets, the shift to sales-driven customer relationship management pulls funds away from mass-media advertising and consumer promotions and toward field sales activity and trade promotions. This is not merely an issue of blurred identity between marketing and sales; it marks a sharp reduction in marketing’s influence and the related erosion of marketing competence and skills. For many consumer goods companies, the impact has been dramatic. The traditional brand manager is now focused almost exclusively on trade deals and other programs related to in-store activities that are meant to create immediate sales revenue. One executive told us: “Marketing now has more to do with working with retailers and in-store stuff. Mass media have declined in importance. In fact, nobody can define what ‘mass media’ means anymore.”

This shift is clearly apparent in automobile companies. Their aggressive use of sales incentives, including rebates and zero-percent financing, is well-known. What is not known is the allied drop-off in marketing competence. Through the 1990s, auto companies made such competence a priority, and they trained for and invested in it. But cost constraints exacerbated by long-term labor contracts, pension plan commitments and industry overcapacity have put the spotlight on moving unit volumes. Sales, service and dealer support dominate marketing. Instead of building the company’s brand image, media advertising is more likely to feature the latest rebate program and to be implemented at the dealer level.

Limiting Marketing’s Role The size of corporate staffs has been reduced greatly in the past decade in the search for greater efficiency and productivity. Among the most severely cut functions are strategic planning — which has all but disappeared — and marketing, which two decades ago became increasingly identified with strategic planning. In general, interviewees often used phrasing along the lines of “Marketing has lost a seat at the table.”

In most companies, corporate marketing maintains company-wide responsibility for global brand management and marketing communications. The top marketing executive now typically manages a very small staff and is largely responsible for policies to maintain consistency in how the brand is used worldwide for building brand equity, for coordinating the development of subbrands for distinct product lines and for achieving efficiency and consistency in media purchasing and advertising-agency relationships.

The Shift of Marketing to Strategic Business Units A theme expressed by executives from about two-thirds of the companies in our

sample was that responsibility for marketing strategy had been pushed down in the organization and out into the strategic business units. It has remained at the corporate level only in those companies where the CEO has a strong marketing orientation and background. Executives indicated that in their companies, there does appear to be a stronger commitment to customer orientation as a *value* now than may have existed a decade ago. However, some observed that their companies still tended to be product-centric and technology-driven, lacking in truly customer-focused, market-backed strategy development.

The general attrition in marketing competence is supported in the comments of the executives who observed that even at the strategic business unit level, many traditional marketing mix decisions are no longer the primary domain of the marketing department. A study published in 1999[6] concluded that while the marketing subunit remained strong at the SBU level in the companies surveyed, a closer examination of the data revealed that the only decision areas still dominated by the marketing department were advertising messages and marketing research (narrowly focused on customer satisfaction measurement). In contrast, the sales subunit was distinct from marketing and had the largest influence of any functional subunit (including marketing) on decisions regarding distribution strategy, pricing, design of customer service and choice of strategic business partners.

Four Challenges for Marketing Management

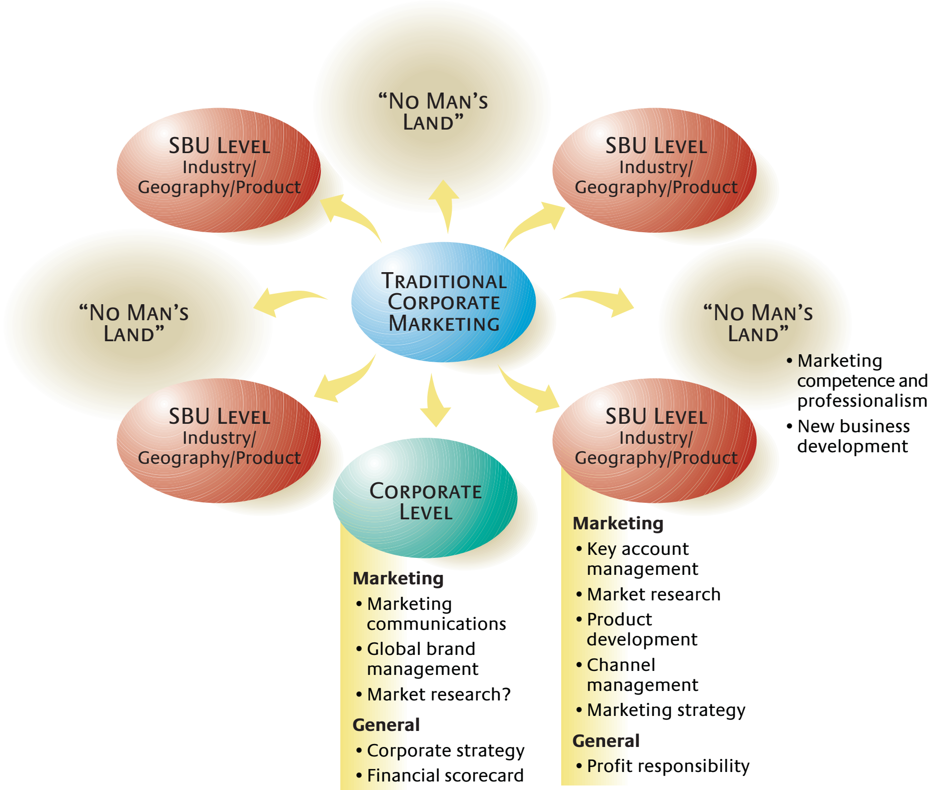
So who should be expert on current and future customers and their buying patterns? Where is there a "center of excellence" in core marketing skills and competencies such as brand portfolio management, price, long-term market research and customer segmentation? And who will advocate for sustenance and development of such competencies? In many companies, these questions are no longer easily answered. In general, however, there are four major challenges that must be met:

Measuring Marketing Productivity This is the most pressing problem facing marketing management as it seeks to regain its "seat at the table." However, the productivity debate probably cannot be resolved until marketing managers have access to better metrics. Those measures must distinguish between long-term and short-term goals as well as the long-term and short-term effects of marketing expenditures — which raises the issue of the distinction between marketing and sales. The lines have blurred: Marketing becomes more like sales with its emphasis on short-term revenue gains and sales promotion activities; while sales, with an increased emphasis on strategic customer relationships, becomes more like marketing.

Of course, it would help to have clear agreement that marketing is long-term and strategic whereas sales is short-term and tactical. Sales success would be measured by daily, weekly and quarterly changes in sales volume and reseller stocking levels, for example. Marketing success would be measured by long-term trends in customer awareness and attitudes, customer satisfaction and retention, brand and customer loyalty, annual and longer-term changes in sales revenue, profit as a percentage of revenue, total profit, cash flow and return on investment and stock prices, including the correlations among these various measures.

The Dispersion of Corporate Marketing's Traditional Competencies

Today, marketing in many large companies is less of a department and more a diaspora of skills and capabilities spread across and even outside the organization.



It should be obvious that the chances of successful innovation increase if guided by studies of customer needs, behavior and so forth, areas where marketing should take the lead.

However, the continuing decline in marketing's credibility is further complicated by the assumption that marketing effects should be directly traceable to financial results without reference to changes in any intervening variables such as customer satisfaction, preference and buying intention. There is an urgent need for new conceptual developments regarding the impact of marketing expenditures on these intervening variables and their relationship to changes in revenue and profit margins. It is encouraging to note the appearance of important academic research studies that address the relationships among market or customer orientation, marketing investment and financial measures of performance.[7] And we applaud efforts such as the CMO conferences cosponsored by McKinsey, the Wharton School, Harvard Business School and the Marketing Science Institute to push more strongly for usable marketing metrics that make sense to CEOs and CFOs.

Long-Term Versus Short-Term Emphasis Marketing managers believe their most important expenditures represent long-term investments in the growth and future profitability of the business. They believe that they reinforce brand equity, enhance product quality, improve customer relationships and relationships with channel partners and strengthen pricing. However, they also think that most senior managers tend to regard marketing as a current expense — and "expenses" are easily cut.

Any shift in emphasis from quarterly earnings per share to long-term business development can only come from top management and from investors. Anecdotal evidence suggests some slight movement in that direction. Recent highly public examples of egregious corporate accounting practices have produced strong reactions in management circles, encouraged, of course, by much more stringent financial reporting regulations. There is broader recognition that short-term results mean little in terms of sustained share price if they are not part of a solid pattern of long-term profitable growth. Among the most significant changes to date are the decisions by some companies to cease publishing pro forma earnings and to attend to accounting rules concerning timing of revenue recognition.

For their part, marketing managers can begin to push back against short-termism by working with their companies' financial experts to chart the long-term consequences of actions that emphasize quarterly sales volumes in contrast to the higher long-term revenues and margins yielded by, say, brand-development expenditures. Such conclusions have been supported by recently published academic research.[7]

Innovation in Products and Strategy Several studies have found that product innovation is the major influence on long-term business profitability. More than two-thirds of the 100 global companies surveyed last year by The Conference Board indicated that innovation is a top priority.[8] Separate research on the manufacturing sector confirms the expected pace: By 2007, notes Deloitte, sales of new products introduced in the three preceding years are expected to generate 34% of total revenue — up from 21% only seven years ago.[9] Yet CEOs are often disappointed by the level of innovation in their businesses, a situation for which they hold marketing at least partially accountable. Indeed, research shows that the CEOs want marketing to play a more active role in new business development, whereas CMOs are more narrowly focused on new product development.[10]

It is wrong, however, to blame marketing for innovation deficiencies, because innovation is subject to exactly the same force that devalues marketing's contributions: short-term financial pressure. On the contrary, it should be obvious that the chances of successful innovation are increased if the efforts are guided by valid and reliable studies of evolving customer needs, wants, attitudes, preferences, buying behavior and so forth, areas where marketing should take the lead. New types of marketing organizational capabilities and enhanced marketing competence are needed to re-emphasize such customer studies and to give better direction and support to research and development efforts. Clearly, marketing must redouble its efforts to prove its value to the innovation stream. Here and there it *is* happening: At one of our respondent companies, a major product category innovation was launched successfully with marketing's input. Although the corporate marketing bureaucracy is markedly smaller than it once had been, the marketing function now has greater influence and credibility.

Building Brand Equity Brand equity and the strategic importance of branding are perhaps the strongest survivors of the financial and organizational pressures that have been placed on marketing managers. Polled recently in Grant Thornton's 10th Survey

of U.S. Business Leaders, 73% of top executives said having a strong brand is more important now than it was two years ago. The correlation of brand strength and company value is being studied more closely and documented more carefully, and marketing scholars are building models of brand equity that relate brand development, marketing programs and customer response to long-term shareholder value.[11]

There is mounting evidence that large producers are using these brand-equity models to develop marketing and branding strategies that fit with nonstop financial pressure and with a business environment in which their channel partners are exceptionally strong. A classic example is microprocessor maker Intel Corp.'s "Intel Inside" program. There is also a growing realization that the brand is more than a relationship with the end-user; it is also a powerful asset for the retailer or the industrial customer that incorporates the branded product into their product offering. Marketing management will be challenged to sustain and augment brand-management strategies and tactics as the corporate marketing function continues to erode.

Despite the bleak outlook, there are companies in which marketing is successful. The function has a well-defined role, and there is consensus about its scope and contributions. Indicators of that success are evident in sales and revenue growth, customer loyalty, strong brand equity and a dependable flow of innovative products. In such companies, there is usually a CEO with a strong marketing background or a deep understanding of marketing, a bias for long-term growth and a compelling vision of how to deliver superior value to customers. There is also adequate marketing information to assess performance, such as data on measures such as market share, brand attitudes, sales volume from major customers and margin by account. Bureaucracy is minimal; strong marketing is no longer associated with a big marketing department. And customer orientation is hard-wired into new product development. (See "Characteristics of Companies at the Extremes of Marketing's Influence.") That set of characteristics is what must now be reassembled into a viable marketing competency at many companies.

The fact that marketing *does* continue to play an influential role in corporate strategy in some companies suggests that there is both an opportunity and a viable approach for building marketing competence as a source of competitive advantage. It may not come about in "conventional" ways, such as in the form of a large corporate marketing group. Instead, it may call for a small "center of excellence" that can enable collaboration among an array of dispersed marketing elements. The mandate

Characteristics of Companies at the Extremes of Marketing's Influence

The fact that marketing *does* continue to play an influential role in corporate strategy in some companies suggests that there is both an opportunity and a viable approach for building marketing competence as a source of competitive advantage.

Key Dimensions	Characteristics When Marketing Is *Not* Influential in Corporate Decisions	Characteristics When Marketing Is Influential in Corporate Decisions
Definition of marketing	Wide disagreement and ambiguity about the role and importance of marketing and customer orientation.	Clear and shared understanding of the role of marketing; strong customer orientation in the corporate culture.
Top-management objectives	Focused on current stock price, earnings per share, cost reduction, market share, sales volume.	Focused on long-term growth in revenue, profitability, EPS and cash flow.
Orientation and functional background of CEO	Little or no marketing experience; focused on financial community.	Deep understanding of marketing; compelling vision of customer value. Advocate for the customer.
Top-management priorities	Cost reduction and labor productivity.	Customers, resellers and key accounts. Market information and tracking data are key management tools.
Growth strategy	Growth achieved through mergers and acquisitions.	Growth achieved through serious commitment to research and development, product innovation.
Role of brands	Strong brands used as cash cows to fund acquisitions, growth strategy.	Substantial investment to build and maintain brand equity.
Focus of new product development	Product-focused and technology-focused.	Customer analysis is hard-wired into product development.
Portfolio strategy	Managed for cash flow; pricing used to achieve volume goals.	Customer portfolio analyzed and managed for loyalty, profitability.

Without a stronger guiding vision, marketing may be facing a future of continuous cycling between centralization and decentralization, long-term and short-term emphasis.

for such a center should be to build and sustain marketing competence throughout the whole organization using all available tools of management development and deployment, including human resources and information technology systems. The center should not be responsible for developing or implementing marketing strategies; it should be the repository for expert knowledge about customers, and it should manage processes for developing and disseminating that knowledge. One possibility is the emergence of a role for a dedicated leader of marketing management resources. Among his or her duties could be the identification of university-based and other publicly available marketing management-education programs and seminars that are aimed at nonmarketing specialists and also the matching of such resources with the company's needs.

IT IS CLEAR THAT MARKETING remains an evolving field of management practice and academic discipline. Change in marketing's role over time appears to be driven by dissatisfaction with the status quo rather than motivated by a clear vision of the optimal organization. Thus, without a stronger guiding vision for its role, marketing may be facing a future of continuous experimentation and change, cycling in perpetuity between centralization and decentralization and long-term and short-term emphasis and between building strong brands and exploiting the immediate opportunities resulting from lower costs and prices. This is not necessarily a bad thing as long as the company's overall marketing skill sets and competencies are retained *and* consciously developed as the company grows. Marketing skills and expertise should be at the core of the company's processes and intrinsic to product innovation, supply-chain management, customer development and retention and revenue (and cash) generation. The most important issue is to ensure that there is some form of structure to identify the elements of marketing competence wherever they are in the organization, to integrate them so that marketing can contribute fully to augmenting shareholder value.

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