# Why Your CMO Is Critical to Diversity and Inclusion

By Adam Quint, Priyeshu Jain, Patrick Nader, Pree Rao, Smriti Vicari and Tanay Misra



"Who is most critical to driving the diversity and inclusion (D&I) agenda in your organization?"

Most employees might say, "the CEO" or "the CHRO," yet Chief Marketing Officers (CMOs) play a more important role in D&I than many people realize. Externally, they will likely have the most customer engagement, and internally they consistently connect across different teams, creating synergies and tying initiatives and ideas together.

Marketing's position as the most externally facing of the major functions gives CMOs the unique opportunity, and even the obligation, to develop and promote a D&I philosophy. For marketers, understanding D&I challenges is not just critical for moral or ethical reasons, it's good for the business as well. "Marketing's role is to be the representative of who we are as a company to consumers, and D&I is hugely important," says Eddie Revis, a senior marketing executive based in New York City.

"Inclusion can have a powerful impact on the business. Consumer centricity is the first mantra of marketing, so the function needs to replicate the diversity of consumers and be a role model for other functions," says a senior marketing leader of strategy and insights with a global FMCG company.

To explore how CMOs and their teams are advancing the D&I agenda, we spoke with 22 marketing leaders around the world. We found that CMOs can drive the D&I agenda through four main layers: Marketplace, Organization, Employees and Mindset.

### The Four Layers of D&I Impact in Marketing

Before we explore each of these layers in more detail, it's worth noting that diversity and inclusion will mean different things in different regions. In some countries, diversity issues are more salient between genders, while others are more around racial divides. Some would define D&I by perspective or experience. Regardless of the definition, the goal is for different perspectives to be heard and included.

### Marketplace: Where the Business Connects with Customers

As the touchpoint for the customer base, CMOs can play a pivotal role in how consumers perceive a company's commitment to D&I. The most direct way they can promote a D&I agenda is through their product messaging and campaigns. Fashion retailers might showcase inclusive sizing in their models, while media companies can promote films that feature Black actors, writers, and directors, and cosmetics companies may partner with LGBTQ+ influencers. These messages can have a dramatic impact on how people respond to a brand.

But CMOs caution that the D&I messaging must be authentic, otherwise it's performative at best and a reputation risk at worst. "There are two different camps



Marketplace

Mindset

of how people approach diversity," explains Steve Arkley, Vice President of Marketing, Global, for Budweiser. "People who want to ride culture for commercial exploitation and do the typical short-term charitable donation and [then] there are those who are willing to change the way they work."

This is not one-way communication. Just as companies can receive feedback on their products or services, CMOs can also listen to the response from diverse communities and channel it back into their organizations. Saugat Tripathy, Director of Marketing, APAC, for Kimberly Clark Corp. shared the example of launching the "She can" campaign for Kotex around the world, which celebrates women's dreams, aspirations and hard work that goes into achieving them. "While the idea was strong and deeply rooted in consumer insights, execution needed to be locally relevant and nuanced. Working with a diverse team helped us build off the idea to make it stronger while keeping it very relevant for each of the local markets it was executed in," he explains.

#### The Organization: Fostering Change

Companies cannot create a more diverse and inclusive culture overnight. It takes a long-term commitment and a willingness to have uncomfortable conversations to uncover the root causes that lead some to be excluded and the organization held back. Much like companies have a strategy for everything else they do, having one for D&I is essential. In addition to strategies, companies are investing in trainings and mentorship opportunities for employees around conscious inclusion and other ways to break down barriers. Companies can also run both localized and globalized trainings, as diversity and inclusion can take on different connotations based on regions and cultures. One leader we spoke with explained that his company has a global focus on having more female senior leaders, and in some regions they expand the focus to minority populations.



It is also important to be transparent in both internal and external communication about your company's D&I evolution—especially if there is more work to do. "Marketing will continue to play a critical role to both push the organization to change internally and to communicate progress and inclusion externally," notes Chris Turpin, Global Director of Corporate Development and Managing Director, EMEA, of First Sentier Investors (formerly First State Investments).

#### **Employees: People as the Soul of the Brand**

In order to bring depth of understanding of consumers, with empathy and insight, it helps if the marketing team is able to see the world through the different lenses of their customers, otherwise key insights and opportunities could be lost.

To build diverse and inclusive teams, companies can ensure their hiring processes recognize and remove biases, cast a wide net into a variety of talent pools, and offer opportunities to "skill-up" on the job. "Representing your key markets and consumers in the team is critical, and what they bring to the table is far more valuable than what



they may lack," Rajeev Sathyesh, Brand Director, Heineken APAC, says. "The skills they lack can be augmented, but their consumer and cultural experiences cannot be."

Beyond recruiting diverse talent, companies can also consider how they weave inclusivity into the fabric of their cultures. For some, inclusivity is the essence of their product or service, so they cannot make a misstep and exclude a group in their own organization. Katherine Whitton, CMO of Specsavers, an optical retail chain, notes their founders believed everyone had a right to good optical services and eyesight. "Inclusivity was always at the heart of the business," she says. "The question is how it translates into culture for the company, making it an attractive place to work for all."

Having specific policies as well as clearly defined metrics for D&I can help ensure success. However, you cannot rely on numbers without context. Alison Sagar, former UK CMO and Head of Consumer for Paypal, cautions that it's important to take a deep dive on your diversity metrics and not just accept what you see on the surface. "I think that averages can hide a lot of unconscious bias," she says.

#### **Mindset: Diversity of Thinking**

Mindset is arguably the most important part of a diverse and inclusive organization and is often the most overlooked. It can help to bring a healthy and constructive skepticism by looking at the status quo through different lenses, equalizing for unconscious bias that might exist.



"The first step is declaration of intent: D&I is not a nice thing to do but a strategic choice for a business. Diversity is not about gender only but diversity of thinking, experiences, and personality. If you don't believe in that philosophy, then you are doing a scorecard exercise. It's like Chess instead of Checkers – every person has something unique to deliver instead of one being better than the other," says Sathyesh, Brand Director, Heineken APAC.

To drive a D&I centric mindset, companies must be willing to tackle biases. The first step is acknowledging that unconscious biases exist, Priyadarshini Sharma, SEA Managing Director and Marketing VP, APZ Region, for McCormick & Co., notes. "These biases could be an unintentional consequence of our approach – for instance, there could be a proclivity to hire people similar to oneself, based on the assumption that 'people with a similar experience as me will tend to do better or will approach things like I do, which is comfortable or less risky for my business," she explains. "To proactively address such biases, it's important to give people a framework to internalize the value of diverse experiences— bring case studies to life and show how groupthink can limit us – so people can consciously choose to add more diversity in their teams."

How can CMOs help to embed D&I mindsets in their company's core? One way is to ensure there are opportunities for both formal coaching and mentorship, as well as informal camaraderie and team building within the company. At Whirlpool Brazil, for

example, there are affinity groups led by employees and sponsors of the board—Gender, Race, LGBTQI +, and, now, the "diffabilities" [different abilities] group, Andrea Salgueiro Cruz Lima, President of Whirlpool Brazil, explains.

### Conclusion: Adding D&I to Your Company's DNA

As companies continue to broaden their definitions of D&I, they will increasingly view it as imperative to their business success. This requires listening to your customers, ensuring you are recruiting and retaining diverse employees, adapting your organizational culture to be more inclusive, and adopting a mindset that is open to all forms of diversity. Each of these four layers is critical to truly embedding D&I in your organization. Alone, they offer a modicum of progress. Together, they offer endless opportunities.



# Further Findings From our D&I Conversations with Marketing Executives

### **Marketplace**



"There is a role within technology to look at how algorithms are constructed. As our lives are run more and more by them, there is a risk to bias. Marketing can hold up the mirror and say here are our customers and are we really serving all of them."

#### Helen Normoyle

Former Marketing Director & Chief Marketing Officer, Boots, DFS and the BBC

"The inclusivity agenda is the most challenging part of the marketing brief, as you have to be for everyone, but that can be like being for no one. How do you customize the brand and tone to appeal broadly and inclusively?"

**Katherine Whitton** CMO, Specsavers

"Our clients are demanding it now. If you can't demonstrate that you are a diverse and inclusive company, clients may not want to work with you, and rightly so."

#### **Chris Turpin**

Global Director of Corporate Development and MD EMEA, First Sentior Investors

"Brands need a point of view and to take a stance, which, in this climate, can be scary as it often enters into political realms. Marketing is at the center of that, and as such advances the culture and the agenda in any organization—or should."

#### Marc Rey

CEO Shiseido Americas & Former Chief Growth Officer Shiseido Group

### **Organization**



"Rather than do a scaled advertising campaign about diversity, Budweiser launched the Natalie Johnson Scholarship. Natalie, who joined the company as an intern, currently helps lead the brewing function at Budweiser where she is the company's first Black female Brewmaster in St. Louis. The scholarship provides annual monetary awards for students pursuing careers in brewing. Credibility building is the name of the game."

**Steve Arkley** VP Global Marketing, Budweiser

We focus on representation and career advancement equally, and then track it. In the future, we hope we won't even be having these discussions as diversity becomes the standard way we enable businesses.

#### **Gabriela Tartaret**

Vice President, Marketing, Global Oral Care, Procter & Gamble

"We have both a global and local program on inclusion and diversity. Part of the values of the company and backbone of our local strategy and the cultural transformation program that we are building is about inclusive leadership."

**Andrea Salgueiro Cruz Lima** President, Whirlpool Brazil

### **Employees**



"Most importantly is to have diverse perspectives in the work, and share what you are doing cross-functionally with finance, supply chain, and other teams throughout the company. I don't believe in the role of Chief Diversity Officer because everyone, regardless of what their job is, you have to think D&I or you are not doing your job."

**Eddie Revis** Senior Marketing Executive "We want to be better at serving our customers and pre-empting their needs – to be more reliable, more personal, more thoughtful and ultimately, more valuable to each of our customers, and in my mind, this can't be achieved without our highly diverse and talented workforce."

#### **Edward Bell**

General Manager, Brand, Insights and Marketing Communications, Cathay Pacific Airways

"Do you have people in your organization who can truly get to deep understanding of your customers' needs? This requires truly diverse teams, teams that are flat enough to create a true marketplace of ideas where diverse approaches can flourish. It enables not only the development of better ideas, but better execution against those ideas."

> **John Russ** Former Global Head of Marketing, Coinbase

#### **Mindset**



"If you want to transform your company, it can't just be marketing. It can't just be the CEO. It has to include D&I policies, racial justice, and customer service. It has to be in the DNA of your company."

**Dan Harbison** former Global Senior Director, Digital Jordan Brand for Nike

"I am a big believer in a balance. Marketing thrives thanks to diversity of perspective. Intuition to see patterns and data cannot happen without diverse mindsets."

**Senior Marketing Leader** global FMCG company

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