Marketing, the Career of Choice?
Impact of the Digital Age
In the opening remarks of the 2016 Association of National Advertisers (ANA) Masters of Marketing conference in Orlando, FL, Bob Liodice, the Chief Executive Officer of ANA, told 2,700 attendees that marketers are facing talent problems. Learn more about how marketing executives, academia, and students described talent via following videos:

Linda Boff - Industry Expert
Roger Beahm – University Faculty
Hayden Lineberger – Marketing Student

**Marketing Industry**

According to the latest definition, marketing is the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large. The marketing industry refers to both marketing and advertising subsectors which offer information on the marketing and advertising activities employed by companies of various sizes, as well as non-governmental organizations. The marketing industry has a size of $1.3 trillion with a 5.2% compound annual growth rate in the U.S. in 2016.

The marketing subsector covers traditional marketing channels such as trade shows and direct marketing as well as up-and-coming mobile and social media. Procter & Gamble ($4.6 billion), AT&T ($3.3 billion), and General Motors ($3.1 billion) are top players in this subsector based on their marketing spending.

The advertising subsector primarily engages in creating campaigns and placing such advertising in periodicals, newspapers, radio and television, or other media. WPP Group ($19.0 billion), Omnicom Group ($15.3 billion), and Publicis Groupe ($9.6 billion) are the largest agencies based on revenue worldwide.

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This case was prepared by William Wang ('18) under the direction of Mike Crespi, Senior Associate Director of Market Readiness and Employment at Wake Forest University School of Business, Polly Black, John C. Whitaker, Jr. Executive Director, Center for Innovation, Creativity and Entrepreneurship, and Roger Beahm, Full Professor of Practice in Marketing at Wake Forest University. It was written as a basis for identify potential solutions to an industry problem rather than to illustrate effective or ineffective handling of an administrative situation.


Historical Trends

The term 'marketing' is a derivation of the Latin word, *Mercatus*, which first appeared in dictionaries in the 1560s where it referred to the process of buying and selling at a market. The contemporary definition of 'marketing' as a process of moving goods from producer to consumer with an emphasis on sales and advertising was first attested in 1897. Until the twentieth century, Western economies were characterized by small regional suppliers who sold goods on a local or regional basis.

In the 1950s, consumer packaged goods companies like Procter & Gamble, General Foods, and Unilever, developed the discipline of brand management. The concept "branded proposition" that offered not only functional but also emotional value had been created. Over time, these brands were perceived to offer superior value to its competitors which allowed the companies to charge more for its products. Even with major companies developing brands, most companies remained focused on selling products.

Things started to change during the 1980s. The commoditization of product quality and improvement in mass communications, influenced the creation of large ad agencies with branches throughout the world. This gave rise to a much broader mass marketing mindset. Companies started to realize they should develop a brand value proposition. This would not only improve their margins but also enhance their reputation.

As the marketing industry grew, so did the demand for professional marketers. Marketing, as a discipline, was first taught at The Wharton School at the University of Pennsylvania in 1905 and titled “The Marketing of Products.” From 1970 to 2000, the number of students enrolled as Business and Communication majors increased nearly fourfold from 1970 to 2000 according to the National Center for Education Statistics.

Marketing was not only the golden career path for fresh college graduates in the 1970s and 1980s but also for senior executives (especially CEOs) of major companies. A significant amount of CEOs reached their position after performing successfully in sales and marketing. Published research by Schiller in 1989 reported that 229 of the top 1,000 U.S. CEOs had

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followed marketing-related career paths. During the late twentieth century, only an average of 14.2 years would take a pre-experienced college graduate to the CEO position with an annual compensation average of $776,000.7

Current Situation

The marketing landscape has changed dramatically in the most recent 10 years. More choice, better service, and personalized customization are demanded by consumers. New technologies provide large amounts of data related to the wants and needs of large markets as well as the personal preferences and shopping patterns of individual consumers. Consumers like to be reached in ways that matter to them resulting in the fragmentation of media outlets. Advertising too, is expanding beyond print and broadcast to interactive sources. Social media is rapidly becoming a critical factor in the marketing mix with effective tools being developed to measure the results.8 The “ecosystem” with the traditional boundaries between marketing organizations (not only manufacturers but also retailers), ad agencies, channel partners, and media companies, are blurred.

Marketing job listings often appeal to both creative marketing graduates and numbers-minded statisticians. Even if the number of jobs in the marketing field continue to increase over time, it still cannot guarantee all 36,000 undergraduate students who earned a degree in marketing every year will get a job in the marketing industry.9 The willingness to work long hours and evenings and/or weekends with the ability to work well under pressure and thrive off meeting deadlines and goals, are set to become basic requirements for marketers. According to the Agency Management Institute, in 2016, managers of advertising, public relations, and marketing worked an average of 50 hours per week. For recent college graduates or those who do not have previous marketing experience, an entry-level marketing job typically involves assisting with research, customer service, administrative tasks, and reporting to account executives, media planners, and/or client services managers. The average starting salary for someone with a degree in Marketing is $39,588 which is ranked second to last in the 10 most popular majors in business schools in the United States.10

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The millennial generation (people born after the 1980s) is projected to be 50% of the global workforce by 2020.\textsuperscript{11} They want good jobs: ones with 30-plus hours of work a week, regular paychecks from employers, and be engaged in those jobs - emotionally and behaviorally connected to them. In addition to finding steady, engaging jobs, millennials also want to have high levels of well-being, which means more than being physically fit. A survey carried out by Catalyst in 2012 indicated that 47\% of millennials expected their first merit raise and promotion within one to two years in their role, 64\% of millennials will leave for a new job if they feel dissatisfied with their advancement and another 22\% will return to school, and 31\% of millennials viewed number of hours worked as important for promotions and raises.\textsuperscript{12}

CMO Challenge

The marketing industry has realized the competitiveness for agencies and client-side marketers to find, hire and keep the right talent who is motivated, inspired, and productive. Young talent is drawn to career options with companies like Google and Facebook, startups, and new ventures. To address this situation, at the Association of National Advertisers’ annual Masters of Marketing Conference, the ANA has unveiled a new initiative - The CMO Talent Challenge.

Bob Liodice, Chief Executive Officer of the Association of National Advertisers, illustrated the importance of brand-building efforts of marketing as a career to future talent: "It is abundantly clear: Marketers must take their industry back. We need CMOs to turn up the leadership dial. We cannot leave this to others to do. We must get involved and take the action we need to build our brands and drive our business results."

The CMO Talent Challenge’s goal is to get 1,000 CMOs to accept the CMO Talent Challenge and commit to these three things:

- Mentor: Make talent development and training one of CMOs top personal priorities for 2017

• Market: Commit to “market marketing” by spending at least five hours over the
next year talking to students about marketing careers

• Mobilize: Participate in the industry-wide ANA/AEF Talent study to help the
industry prepare for the next generation of marketers

Within the first three months, 132 CMOs have committed to this initiative including Linda
Boff (CMO of General Electric), Jon Iwata (SVP, Marketing & Communications IBM), and Kristin
Lemkau (CMO of JPMorgan Chase & Co.).13

Opportunities Ahead

Looking back at the data from 2016, it becomes obvious that digital marketers are highly
sought after and the most hired type of marketing professional last year. Of the companies
surveyed by McKinley Marketing Partners, 39% hired a new digital marketer while only one in
four hired a new project manager. As recently as 2014, the position of project manager was in
the top three.14 Digital Marketing expertise leads the pack in 2016 for the most desired skill sets.
A 2016 report from Smart Insights said that 90% of all marketing roles required some digital
marketing experience or analytical skills. Digital marketing or data analysis jobs are the most
likely to recruit entry level applicants in next few years.

In addition to the digital expertise needed in the short-run, professional marketers must
be able to analyze international and national markets and follow economic trend developments
and understand their impact in the long run. Many marketing professionals work in a team, so
it helps to have skills as both a leader and a team player. As professionals who interact with
consumers and brand managers, marketers also need strong written and verbal communication
skills.

As marketing jobs change, the career paths will change accordingly. TrackMaven has
shown examples of possible career paths for three different types of marketers - traditional,
digital, and public relations/communications.15 (See Exhibit 1 for Marketing Career Paths)

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The Talent Pool

With over 25,000 students earning undergraduate degrees in marketing in 2016, fewer than one in 5,000 found new jobs where they could directly apply their marketing skills according to CareerCast, a premier job search site. Most people decided to leave the discipline while others continued MBA graduate study. 

"I don't know anyone from my class who is doing what they were taught in their college marketing courses," says Trisha, a recent marketing graduate who has encountered difficulties in finding a job in the marketing industry, "What you read in marketing textbooks and get taught on the blackboard aren't what you do in an entry-level job."

Like the majority of marketing students, Trisha has become a salesperson, simply because no company would offer her a marketing job without sales experience.

"We only hire MBAs for marketing positions, and usually only those who already have some sales experience," says a recruiter from General Mills in Minneapolis. Adds a recruiter at GE, "Students who want jobs in marketing but aren't willing to work in sales will be badly disappointed. Sales experience is a must."

At most colleges and universities, marketing majors are taught how products are developed and promoted as well as social and behavioral sciences. However, only a handful of major colleges offer courses on the techniques of selling. Moreover, it does not appear that additional colleges will alter their curriculum to reflect the demands of the job market simply because courses in 'How to Sell' are too applied for academics to be comfortable with.

According to NACE’s January 2015 Salary Survey, Management Information Systems majors received the highest average starting salary around $56,000 followed by logistics/supply chain, finance, and accounting majors. Marketing ranked last in starting salaries among seven popular majors offered by most business schools. (See Exhibit 2 for Top-Paid Business Majors at the Bachelor’s Level)


The industry experts have expressed more challenges in talent recruiting. “There are three major challenges we’re up against: Lack of Clarity, Lack of Diversity, and Legacy Perceptions,” claimed by Gordon McLean, President and Chief Executive Officer of Advertising Educational Foundation (AEF). This organization focuses on shaping the future of the industry by connecting academia with the marketing community and attracting the best talent to the industry.

He explained Lack of Clarity as no clear definition of what marketing constitutes in many companies today and that definitions of success for the function vary across industries and companies. Lack of Diversity means the diversity of talent across companies is not keeping pace with the consumers the brands are serving. “Marketing” is often viewed solely as advertising and lacks the authenticity of purpose in a career to the next generation which leads to a legacy perception problem.

The Mission

In 2017, the AEF is embarking on a mission to create a cross-industry and academic coalition, Pathways 2020, which focuses on understanding and building the next generation of marketing and advertising talent. (See Exhibit 3 for Pathways 2020) It will be led by industry practitioners and academic experts and informed by a deeper understanding of the needs and career aspirations of the emerging talent pool. Work has already begun, and the discovery phase of a groundbreaking research study is in the field. For the first time, this study will explore the challenges from the perspective of the hiring companies, the academic community, and the students.

Your team is to develop your recommendations into a selling proposition together with an implementation plan that connects the three key stakeholders (industry, educators, and students) by answering the following questions:

- How will the marketers and advertising agencies now and in the future attract and retain the kind of diverse talent they need to lead and keep pace with the consumers the brands are serving?

• Given that too many marketers and CMO’s lack the digital and technical skills to have meaningful career conversations with young talent, how should the millennial generation be reached and developed?

• What is the cause and how should Legacy Perceptions where “marketing” is often viewed solely as advertising and lacks the authenticity of purpose in a career be addressed?

• How can industry, educators, and students find more clarity, more choice, and create compelling visions for careers in marketing?

It is expected that you will support your recommendations outside of the data provided by AEF in support of your proposed strategy.
Exhibit 1: Marketing Career Paths

Excerpts from The Ultimate Marketing Careers Guide

Traditional Marketers:

Traditional marketing careers can be a fast-track to leadership positions. However, in these jobs, professionals need to have a well-rounded skill set from many different types of marketing — especially if they want a leadership position.

Digital Marketers:

The rise of digital marketing has resulted in a plethora of new jobs and career paths.

Public Relations/Communications Professionals:

Public relations and communications professionals continue to be important to businesses as they adapt to demands for different skills in the digital age.
## Exhibit 2 for Top-Paid Business Majors at the Bachelor’s Level

Excerpts from National Association of Colleges and Employers

<table>
<thead>
<tr>
<th>Major</th>
<th>Average Starting Salary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Management information systems</td>
<td>$55,843</td>
</tr>
<tr>
<td>Logistics/supply chain</td>
<td>$53,024</td>
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<tr>
<td>Finance</td>
<td>$52,788</td>
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<tr>
<td>Accounting</td>
<td>$51,475</td>
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<tr>
<td>Business administration/management</td>
<td>$51,196</td>
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<tr>
<td>Sales</td>
<td>$50,200</td>
</tr>
<tr>
<td>Marketing</td>
<td>$49,419</td>
</tr>
</tbody>
</table>

*Source: January 2015 Salary Survey, National Association of Colleges and Employers*
Exhibit 3 for Pathways 2020

Talent will drive our industry’s future growth but we have a talent crisis looming

- Marketers and Agencies are desperate for fully-formed, job-ready graduates
- Academic institutions are struggling to adapt and prepare students for a digitally disrupted world
- Students are seeking more clarity, more choice and more meaningful work

The AEF is Taking Action
- Fielded a groundbreaking study
  - The first ever to explore the issue from the perspective of marketers, agencies, the academic community and students themselves
- The Plan
  - Understand and quantify the underlying issues
  - Propose real-world solutions
  - Inform and inspire talent acquisition
- The participants
  - Marketers such as Mondelēz, P&G, AT&T, Ford, American Express, GE, Target, McDonald’s, Facebook
  - Agencies such as Ogilvy, McCann, R/GA, Wieden + Kennedy, Drogal, Momentum, horizon, MEC
  - Academic institutions such as Berkeley, Northwestern, Wharton, Fordham, Michigan State, Savannah State, Duke, Wake Forest, University of Texas
  - Junior and senior undergraduate students and recent hires

The Key Findings
- There is a fundamental disconnect in the marketing talent ecosystem
- The disconnect is rooted in the speed of digital transformation across industry and society
  - Marketers and agencies are playing catch-up
  - Traditional academic structures are remaining largely broken
  - Students are looking elsewhere when choosing careers

Key Findings by Stakeholder

Academia
Despite best intentions academia are confronting multiple institutional barriers

I will be well-intentioned to know what we are not doing well enough. There is a statement between what we can reasonably do for the students and what industry needs. So anything we can we can do quite a bit more in-demand and business ready, students need to have tremendous technical skills that are not going away. But they also need to have the soft skills and we are not focusing them enough, so that is the challenge. What do we do all of that? - Dean

<table>
<thead>
<tr>
<th>Faculty</th>
<th>Design</th>
<th>Career Connections</th>
</tr>
</thead>
<tbody>
<tr>
<td>School of Communications</td>
<td>less prepared students in year one, less under-prepared, less ready for the work that they need to do, they need to have the...</td>
<td>course support isn’t as good as it needs to be, but...</td>
</tr>
</tbody>
</table>

Line Marketers

- We are looking for people who have done outstanding work in a group that is going to be part of the firm’s growth. We need somebody who can communicate effectively, is a good writer, is a good... |

Human Resources

- In the past, our candidate experience was a bit disjointed and a bit disjointed. We need to make sure that the... |

Committees

- Our committees are made up of our best and brightest people who...
Key Findings by Stakeholder

Students and Recent Hires

- More often than not, students are left to find their own way if they wish to pursue marketing careers.

Liberal Arts
- Faculty: "We need more faculty to be prepared for the real world.
- Students: "We don't need more faculty, we need more flexibility in our curriculum.

Business
- Faculty: "We don't need more faculty, we need more flexibility in our curriculum.
- Students: "We need more faculty, we need more flexibility in our curriculum.

The Disconnect in a Nutshell

**University**
- Awareness: Lack of preparation among key players in marketing, such as professors, career counselors, and students.
- Skills Disconnect: Students lack the skills and knowledge necessary to succeed in marketing.

**Industry**
- Skills Disconnect: Industry requires skills that students lack.
- Expectation Disconnect: Expectations of industry and students differ.

**Total**
- Conversion: There is a gap between what students learn in college and what they need to succeed in marketing.

The Obvious Solution

- Better connect the 'Real World' of marketing and advertising with academia and students.
- Join the 'Pathways 2020' coalition of industry leaders to help build the next generation of talent and demonstrate what a creative and innovative career marketing and advertising can be.

Pathways 2020 'Real World' Outcomes

- Launch ongoing quantitative research panel to dig deeper into the disconnects
  - Expand beyond undergraduates to graduate and post-graduate
  - 7,500-10,000 respondents
  - Quarterly insight briefs (i.e. STEM vs. Marketing, Diversity, Purpose, etc.)
  - Customizable

Pathways 2020 'Real World' Outcomes

- Ongoing Quantitative Research to Inform and Validate Programs
  - Industry/Academic Exchange
  - Curriculum/Academic Content
  - Career Definition & Pathway
  - Internships
  - "Marketing Internship Program"
  - "OMO Talent Program"
  - "OMO and Academic Summit"

Framing the Disconnects by Stakeholder

<table>
<thead>
<tr>
<th>Stake</th>
<th>Skills</th>
<th>Hiring</th>
<th>Expectation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Student</td>
<td>Developing skills to handle the day-to-day duties of their jobs</td>
<td>Not interested in career opportunities outside of marketing</td>
<td>Pay off student debt and have a high-paying job that can support them and their family</td>
</tr>
<tr>
<td>Professors</td>
<td>Not aligned with the field of study</td>
<td>Not interested in career opportunities outside of marketing</td>
<td>Not interested in high-paying job that can support them and their family</td>
</tr>
<tr>
<td>Industry</td>
<td>Skills are required for students to succeed</td>
<td>Not interested in career opportunities outside of marketing</td>
<td>Not interested in high-paying job that can support them and their family</td>
</tr>
</tbody>
</table>