

Starbucks Is the Latest Brand to Eliminate Its Global CMO Role, but Chime's Vineet Mehra Rejects the View That the Position Faces an Existential Threat

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UPS last December eliminated the role of the chief marketing officer, replacing it with a chief commercial and strategy officer who would oversee product management and business transformation.

The news fueled articles and thought pieces on the demise of the CMO. The topic stokes big feelings and industry chatter – including a panel at the World Economic Forum at Davos over whether marketing is a viable career choice.

Now the news that Starbucks is reorganizing to replace the CMO role with regional leadership is certain to launch a whole new round of speculation.

Vineet Mehra, CMO of Chime, told Business Insider that he believes CMOs have never been more relevant. He talked about how the rise of DTC spawned a new perception of value, and how marketers need to be strategic in planning their careers.

The following Q&A with Mehra has been edited for clarity.

There have been a few high-profile examples of companies eliminating the chief marketing officer position. But you don't see this as a growing trend?

Every time a CMO gets let go, or leaves, it's like, "Here's yet another company doing this.'"

It's almost become clickbait fodder. I am really worried that we have divided ourselves within our industry over the last decade. And that we did this to ourselves. We're the ones clicking on all this stuff, talking about it, and propagating the myth.

I don't think any of it is true, and my headline is that we're entering a new golden age of marketing. All the tools CMOs always wanted now exist, in ways that I have dreamed about my whole career. CMOs are needed more than ever. And I don't think marketing has ever been in a better spot in terms of how we can impact business.

What's changed over the past 10 years to fuel this pessimism about the role of marketing and the CMO – is it a byproduct of the rise of performance marketing?

By no means are traditional marketing tactics less important. Areas like brand management, media buying, consumer insights, measurement, and integrated marketing are all very important and will continue to be.

Many of these skills were honed, perfected, and scaled by CPG's original brand builders and growth marketers. Go back 20-plus years, and CPG companies were the academy companies and Ivy League education for any aspiring future CMO.

Then the DTC brands entered in the late 2000s and approached growth, brand-building, and go-to-market in totally new ways. DTC's coincided with the rise of Facebook, which democratized access to an unlimited total addressable market, and lowered barriers to entry for new brands to challenge industry leaders with pay-as-you-go media budgets.

This ushered in the rise of performance marketing – though I prefer to call it direct response, as all marketing should be performative.

As performance marketing began to scale with DTC brands, it brought along with it the proliferation of marketing technology, high velocity creative, focus on lifetime value, customer acquisition cost, and short-term attribution – all of which won a ton of favor with investors as the preferred and highest ROI way to drive growth for new brands.

Brand marketing almost became taboo, a sin for those responsible marketers who focused on customer-acquisition cost as their primary metric.

As a result of all this success, the CMOs of these DTC brands were rewarded with even bigger budgets, fueled by the long-lasting zero-interest-rate policy era, which continued this surge around the rise, importance, and attention on performance marketing.

It was almost as if CPG marketers, the original celebrity rockstar CMOs, and DTC marketing leaders lived on different planets – East Coast vs West Coast – and ultimately brand versus performance became a major narrative in the industry.

So how do these disparate marketing tracks come together? Can a CMO still strategically lead all parts of this fragmenting universe?

The truth of the matter is that brand marketing and direct response marketing are all marketing – there is no competition.

All marketing spending should be driving performance, just in different parts of the funnel that ultimately support each other. I call it “performance storytelling.” The more we as CMOs and an industry can intentionally build our individual and collective skill sets across the entirety of today’s marketing ecosystem, the more our industry will thrive.

This brand versus performance marketing debate is just one aspect. CMOs are now technologists, analysts, content creators, storytellers, leaders, editors, strategists, and scientists. We build brands, we curate purpose, we drive growth, and we build for both the short and long term.

We are firmly in the spotlight, every day, with every decision we make. We also must be technologists and the earliest adopters of many new growth-enabling tech platforms in our organizations. Just look at the rise and value we created as CMOs in the marketing technology industry over the past decade –we were the capital allocators of that renaissance.

I firmly believe that we will also be the earliest at-scale adopters of artificial intelligence in our organizations, the next systemic change that is upon us as CMOs.

It’s on us to restore the reputation of the CMO in the C-suite and in board rooms across the globe. Nothing external can be blamed for affecting the reputation of the CMO – we did it to

ourselves. Let's win back the narrative is what I say!

How have you managed your career to avoid being pigeonholed?

I believe we are living in the golden age of marketing. But to embrace this moment of tremendous evolution in our profession a career full of horizontal experiences, not traditional career ladders and job titles, is the key to staying relevant.

I have taken plenty of risks and even took a few pay cuts along the way to learn as much as I could. Curiosity and the humility to admit what you still have to learn are key.

I spent the first half of my career in the more legacy world of CPG, and I've spent the last decade in Silicon Valley on the tech and consumer DTC parts of the ecosystem. As I saw the world fracturing and dividing, I knew I didn't want to be stuck on one side or the other.

My first "risky move", at least according to others, was in my early 30's. I thought I had "made it" and achieved my dreams as the global president of a multi-billion dollar division at Johnson & Johnson consumer. And then, I got a call to move to Silicon Valley and join this company called Ancestry that was thinking of bringing this thing called consumer genetics and DNA into the world through a DTC business model.

Pay cut number two, I was the global CMO of Walgreens Boots with thousands of people in my organization, and I left for a Series C startup with an 80% pay cut.

But things happen for a reason, and because of the experiences I had curated for myself, I found a fit here at Chime. It's been one of the most rewarding and fulfilling periods of my career.

Today, I sit as a board member of a very hot marketing AI

company, and on a couple of public boards, including one phenomenal data-science-powered ad tech company, and a DTC brand, where I am also a member of the audit committee.

All of this is an effort to remain relevant for as long as possible in my career. Being “dangerous” across the entire modern marketing ecosystem is so important to me, especially in a time of such fundamental shifts in our craft and profession. I want to be part of the solution.

What advice do you give to those who aspire to become CMOs? What should they be doing to move their career in the right direction?

I talk about managing your career like a jungle gym instead of a career ladder. Horizontal careers are the new lateral careers.

I never think of myself as just a marketer. You need to be a P&L leader who happens to play a role on the marketing team, and ultimately the team is about shareholder value creation – whether that’s private or public value creation. Don’t be defined as just a marketer if you want to be a CMO one day.

There’s also nothing wrong with focusing on the specialist careers we will need.

At Chime, we’re creating tracks where you can follow a specialist career and ultimately make the same money as a manager. It used to be you needed to manage people. But for some people, we want you to be the best at the Google algorithm on the planet.

That’s one way we’ll eliminate this malaise in our industry – by respecting all the different tracks.

<https://www.entrepreneur.com/business-news/is-the-cmo-extinct-starbucks-big-brands-ditching-the-role/471845>