

The Ikigai of Marketing

IRG Founders Perspective, 2022

To mark the start of the 3rd annual IRG100 Leadership Program, we are taking this opportunity to share our perspective on what businesses need from Marketing. We challenge CMOs to take responsibility for helping their companies drive more humanized growth. Now, more than ever, is the time to step up.



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Many leaders are currently reappraising their role in business and life. Most of the CMOs and other growth leaders participating in the IRG100 program are doing this by defining their 'Ikigai'.



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What is their Ikigai? It is the sweet spot between *what they love, what they're good at, what they get paid for, and what the world needs from them.*

Something we are also seeing, after almost two years dealing with Covid, is that companies are changing their focus. Winning companies now focus more on value creation for all their stakeholders: colleagues, customers, communities, and the capital markets. We call this *Humanized Growth*. It is a fundamental shift that provides meaning to everyone involved while also bringing in significant financial rewards to companies that embrace it.

Marketers in these overperforming organizations are increasing their influence by helping their companies make this shift. The time has come for *all* marketers to find their Ikigai and take responsibility for driving more humanized growth.

Regaining Influence

Before Covid, there was a lot of talk about the declining reputation and receding influence of CMOs and Marketing as a discipline.

Some companies replaced their CMO with the more commercially titled 'Chief Growth Officer.' HBR published a bundle of articles entitled, '*The Trouble with CMOs.*' Headhunter Spencer Stuart reported yet another decline in the average tenure of the CMO, and IPA research found that less than half of all directors felt confident describing how marketing was adding value to the company. But that was then, and what a difference two years can make!



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Today, winning marketers are increasing their influence by helping their company shift from shareholder primacy to multi-stakeholder value creation. Businesses are

understanding the importance of purpose and empathy. They prioritize diversity, equity, and inclusion. Marketers are helping by providing a window on the world to increase the understanding of stakeholder needs. For example, by using research to reveal the growing need for human connections between colleagues and uncovering the growing need for human connections among colleagues and the increased demand for open dialogue among community stakeholders.

Building on the momentum

The shift in focus to more humanized growth didn't just happen overnight. For more than two decades the business world has been debating the evolving role of capitalism in society.

At Davos in 2008, Bill Gates made a passionate plea for a move towards what he called 'Conscious Capitalism.' Although many CEOs expressed sympathy for this call to action, most claimed that they couldn't make any significant move towards this broader definition of value creation without their investors' blessing.

It was another ten years before that investor blessing came. In Blackrock's 2018 'Annual CEO Letter', Larry Fink (aka 'the ten-trillion-dollar man') demanded that companies with Blackrock investment needed to '*make a positive contribution to society.*'

The US Business Round Table CEOs responded almost immediately by publishing a new 'Statement on the Purpose of the Corporation' that decisively locked in the shift from shareholder primacy to multi-stakeholder value creation.

Since then, the Davos meetings, which were already progressive, have shifted even further towards a more sustainable business agenda. The UN's Sustainable Development Goals (SDGs) have become an integral part of the language of global business.

This transformation has been accelerated by Covid, the social unrest following the murder of George Floyd and the commitments to force change made at COP26.

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Now is the time

So the rest is not history. The rest is the future, and it will be hard work. Building an insightful understanding of the needs of all stakeholders is quite a challenge. Creating value propositions that deliver against unmet needs for all stakeholders is even more difficult.



This is where it gets interesting for marketers, because now we are talking about the fundamental capabilities of the Marketing function. This is where CMOs can help their CEOs and other C-suite colleagues deliver a more humanized growth strategy.

This transition is creating a unique opportunity to increase influence. It is not just about re-establishing relevance and securing a future career path. Today's existential sustainability and social issues represent an urgent call to action for marketers to step up and take responsibility for helping their companies succeed and do the right thing. Because if not now, then when?

**If not now,
then when?**

Marketers drive change

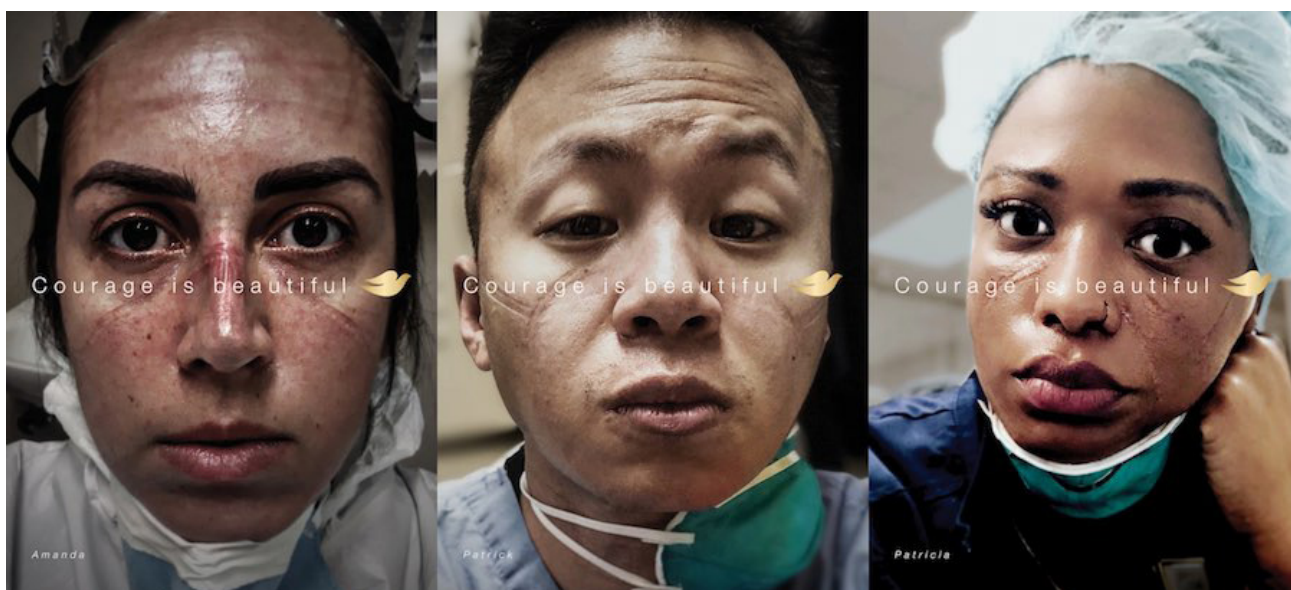
The good news is that we are indeed seeing an increasing number of marketers do precisely that - collaborating with peers and partners to help the company drive more humanized growth.

These CMOs are not only helping their businesses grow but also using their power to influence consumer behavior to create real, sustainable change. Think of

Dove building brand growth *and* women's self-esteem, First Direct offering financial services *and* improving people's mental wellbeing, and Tide getting rid of stains *and* convincing consumers to wash at 30 degrees instead of 60.

Now is the time for marketers to help achieve what former Unilever CEO, Paul Polman, calls 'the Business Plan for the Planet' - the UN's seventeen SDGs. As a marketer, you have the right experience, skills, capabilities, and attitudes to get this done. And if not you, then who?

**If not you,
then who?**



Impact

The good news is that the IRG Growth Study finds that businesses are indeed shifting their focus.

78% of 2020/2021 IRG respondents agree that their business has evolved towards a more humanized growth strategy and 65% of IRG100 program participants report that their influence on the business strategy has increased.

This brings us back to the Ikigai of Marketing. The past two years have caused massive disruption for people, businesses, and marketers. It is this disruption that has created a situation where what the world needs fully correlates with what marketers can offer.

Stepping up to this responsibility is paying off morally and is being rewarded financially. More than 80% of ESG funds outperformed their benchmarks in 2020. Moreover, meeting the UN's Sustainable Development Goals will unlock trillions in value and create hundreds of millions of jobs just in this decade.

So, let us shift the focus from losing influence to taking responsibility.

Put simply, driving humanized growth is the Ikigai of Marketing.

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A stylized black ink signature of Frank van den Driest.

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Founder



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About the Institute for Real Growth

The IRG is a not-for-profit and independent institute focused on supporting CMOs and other growth leaders to drive more humanized business growth. IRG is supported by:



The IRG helps drive more humanized growth by connecting growth leaders to peers, experts, and best practices. The IRG programs are based on the findings of the IRG Growth study, which included interviews with around 750 global senior business leaders, 5,000 online survey contributions from 73 countries, an AI analysis of over 3,500 growth publications, and behavioral analysis of publicly available LinkedIn data from over 800 million connections across 3 million employees.

For more information, please see our website: www.instituteforrealgrowth.com