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IS MARKETING DEPARTMENT IMPORTANT FOR COMPANIES?

O DEPARTAMENTO DE MARKETING É IMPORTANTE PARA EMPRESAS?

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Daniel Max de Sousa Oliveira
danielmax2011@gmail.com
Programa de Pós-Graduação em Administração/Universidade Federal do Rio Grande do Sul – Porto Alegre/Rio Grande do Sul, Brasil
https://orcid.org/0000-0003-4661-4238

Fernando Bins Luce
fernando.luce@ufrgs.br
Programa de Pós-Graduação em Administração/Universidade Federal do Rio Grande do Sul – Porto Alegre/Rio Grande do Sul, Brasil
https://orcid.org/0000-0003-2589-2845

Abstract

In the present study, we sought to analyze the importance of the marketing department for companies by means of two guiding questions: (1) has the influence of the marketing department on company decisions decreased? (2) does the marketing department impact business performance? Through a systematic review of the literature, it was possible to identify that the marketing department has lost influence on the company's decisions, despite its significant impact on business performance. This result highlights the need to propose new ways of how the marketing function can be structured and practiced in companies.

Keywords: Marketing department. Company decisions. Business performance.

Resumo

No presente estudo, buscou-se analisar a importância do departamento de marketing para as empresas por meio de duas questões norteadoras: (1) a influência do departamento de marketing nas decisões da empresa tem diminuído? (2) o departamento de marketing impacta no desempenho do negócio? Por meio de uma revisão sistemática da literatura, foi possível identificar que o departamento de marketing tem perdido influência nas decisões da empresa, apesar de seu impacto significativo sobre o desempenho do negócio. Este resultado evidencia a necessidade de se propor novas formas de como a função de marketing pode ser estruturada e praticada nas empresas.

Palavras-chave: Departamento de marketing. Decisões da empresa. Desempenho do negócio.

Introduction

Over the past few decades, companies have undergone profound changes in the way they are organized, in the manner they relate to consumers and partners and in the strategies they use to obtain competitive advantage (Clement & Puranam, 2018; Kopalle, Kumar, & Subramaniam, 2020; Lawrence, Crecelius, Scheer, & Patil, 2019; Kumar & Pansari, 2015). Rapid advances in telecommunications, transportation, and data processing can be identified as the main drivers of these changes (Kopalle, Kumar, & Subramaniam, 2020). In this context, many corporate functions were affected, and marketing was one of them (Grewal, Hulland, Kopalle, & Karahanna, 2020; Kumar, 2018; Plouffe, Bolander, Cote, & Hochstein, 2015).

The marketing department was once considered the most important in the company, since it was responsible for directing all other functional departments (Keith, 1960; Webster, 1992). However, the marketing function has lost relevance (Govindarajan, Rajgopal, Srivastava, & Wang, 2019; Rajgopal & Srivastava, 2020; Verhoef & Leeflang, 2009). Several authors have drawn attention to the fact that, in many companies, the formal marketing department no longer exists (Brown et al., 2005), the number of companies in which the marketing executive is among the five highest compensated managers decreased (Rajgopal & Srivastava, 2020), the marketing expenditures declined in a comparison with expenses in areas such as innovation and technology (Govindarajan et al., 2019), the Chief Marketing Officer (CMO) tenure is, on average, shorter than that of other senior executives (Nath & Mahajan, 2017) and the marketing department has no significant influence on business performance (Verhoef & Leeflang, 2009).

However, this view is not unanimous, since there are authors who have empirically demonstrated the strong and positive influence of the marketing department on financial performance (Feng, Morgan, & Rego, 2015), and the contribution of CMO presence in the top management team on business performance (Nath & Bharadwaj, 2020; Germann, Ebbes, & Grewal, 2015). Additionally, Srinivasan and Ramani (2019) demonstrated that a strong marketing department can prevent the company from performing myopic management.

Thus, to assess whether the marketing department is still important for companies, two relevant questions need to be discussed: (1) has the influence of the marketing department on company decisions decreased? (2) does the marketing department impact business performance? Thereby, this study aims to analyze the importance of the marketing department by discussing what is the weight of the marketing function voice on a firm's internal decisions and how the marketing area contributes to the firm's financial performance. To accomplish this objective was carried out a systematic literature review of two distinct but complementary research streams: the one that investigates the influence of marketing department on internal decisions (e.g. Engelen & Brettel, 2011; Homburg, Workman, & Krohmer, 1999; Verhoef & Leeflang, 2009) and the other that studies the marketing function impact on business performance (e.g. Feng, Morgan, & Rego, 2015; Homburg, Vomberg, Enke, & Grimm, 2015). By contrasting these two theoretical streams was possible to identify that the marketing department is experiencing a paradox: despite its undisputed positive contribution to business performance, the marketing function has increasingly lost its influence on internal decisions.

Theoretical Background

In this section, the two guiding themes of this study will be discussed: the influence of the marketing department, in relation to other functional areas, on company decisions, and the impact of the marketing department on business performance. However, before addressing these two mentioned topics, a brief review of the development of the marketing department in companies will be carried out.

Marketing department: a brief overview

Marketing departments began to be deployed in American corporations in the 1950s and 1960s, sometimes as an extension of the old sales department (Webster, 1992; Webster, Malter, & Ganesan, 2005), in other cases as a modified version of the advertising department (Keith, 1960). In that period, the marketing department typically included specialists in sales, advertising and promotion, distribution, marketing research, customer service, and pricing (Webster, 1992). Among the pioneering companies in the implementation of this functional department were consumer packaged goods manufacturers, such as Procter & Gamble, Colgate-Palmolive, General Food, General Mills, and Gillette (Keith, 1960; Webster, 1992).

As the idea that the purpose of any business was to keep customers satisfied became popular, the marketing department was elevated to the position of the company's main function. An example of the importance attributed to the marketing function can be seen in a paper written by Kerin (1960). This author, who at the time was vice president of Pillsbury, an American food company, described his company's marketing department as the one responsible for directing all other functions of the organization, from production to sales. According to Kerin (1960), this reality was not restricted to his company but represented a trend in most American corporations of that period.

In the 1970s, due to the significant increase in the importance attributed to formal strategic planning, the marketing function was often confused with strategy and business development at corporate levels (Webster, 1992). Consequently, the marketing function suffered an identity crisis and a lack of influence when the trend of strategic planning lost strength in the 1980s (Webster et al., 2005).

The 1990s, in turn, brought to light a new managerial trend, which affected the marketing organization. Functional limits declined and companies were increasingly doing their jobs through cross-functional teams (Homburg et al., 2000). The rise of teamwork and the decline in functional limits stemmed from the need to establish close relationships with consumers and partners, and make this a competitive advantage (Webster, 1992).

In the early 2000s, a new scenario, this time characterized by technologies that facilitated interaction with consumers and by the demand for more measurement of marketing expenses and assets, started to demand that the marketing function be reorganized. To this end, Rust, Moorman, and Bahlla (2010, p.1) proposed that:

> "The marketing department must be reinvented as a 'customer department' that replaces the CMO with a customer director, makes product and brand managers subservient to customer managers and oversees customer-focused functions, including R&D, customer service, market research and CRM. These changes shift the company's focus from product profitability to customer profitability, as measured by metrics like the customer's lifetime value and the customer's value."

More recently, the managerial scenario can be characterized by transformations at a faster pace, most of them resulting from technological advances, such as artificial intelligence, Internet of Things, big data, blockchains, and cloud computing (Kopalle et al., 2020; Kumar, 2018). In this scenario, data processing (Wedel & Kannan, 2016), social media (Tellis, McInnis, Tirunillai, & Zhang, 2019), logistics (omnichannel) and means of payment (Kumar, Nim, & Sharma, 2019) have dictated the way companies and the marketing function are organized.

Has the influence of the marketing department on company decisions diminished?

It can be said that the understanding that there exists about the influence of the marketing department on the company's internal decisions comes from two different sources: studies based on observations and specific cases (Brown et al., 2005; Webster, 1992; Workman, 1993) and empirical research

(Govindarajan et al., 2019; Homburg et al., 2015; Homburg, Workman, & Krohmer, 1999; Rajgopal & Srivastava, 2020; Verhoef & Leeflang, 2009; Verhoef et al., 2011). The discussion that follows was divided according to these two sources of understanding.

Studies based on observations and specific cases. At the turn of the century, several authors defended the view that the marketing department had lost its influence within companies (Webster et al., 2005). For instance, Schultz (2003) stated that marketing, as an organizational function, was dying, powerless, and very likely would become irrelevant. For Sheth and Sisodia (2005), the word marketing had lost too much credibility in organizations that it would be better if companies used the designation Chief Customer Officer instead of Chief Marketing Officer to refer to the chief marketing executive. Additionally, Brown (2005, p. 3) predicted that "in the near future, I do not believe that marketing will occupy a prominent position within organizations."

Concerned about that situation, the editor-in-chief of the Journal of Marketing in 2005 invited a group of academics to write about the challenges and opportunities for marketing thinking and practice, in an article that received the title of “Marketing Renaissance” (Brown et al., 2005). The description of most of the authors corroborated the concern with the decline of the marketing area. For example, in a discussion with executives of important American companies, Brown (2005) was surprised that during one hour of intense conversation the term marketing was mentioned only twice. Moreover, Sheth and Sisodia (2005) pointed out that marketers were being marginalized because many activities that belonged to their department were incorporated by other functional areas.

Conceptual studies corroborated with the idea of Sheth and Sisodia (2005) by suggesting that activities such as distribution (Kozlenkova, Hult, Lund, Mena, & Kekec, 2015), new product development (Workman, 1993), price decisions and strategic decisions (Webster et al., 2005) and consumer orientation (Brown, 2005) are no longer the exclusive responsibility of the marketing department. More recently, media reports and anecdotal cases have provided additional support to the more negative one’s forecast about the marketing function. For example, some experts have drawn attention to the dissolution of the marketing department in big companies and the emergency of a new type of managerial reality that makes the traditional marketing department outdated (Brinker & McLellan, 2014; Handley, 2019).

However, although these arguments and anecdotal cases are valid since the authors who defended them were notable scholars/ experts in the field of marketing, most of them are based, essentially, on personal perceptions and specific cases. Thus, although many authors and executives categorically affirmed the decline of the marketing department within companies, there was no empirical support in their statements.

Empirical studies on the influence of the marketing department. In general, the term influence refers to the change that occurs in one entity (person, group, institution, etc.) as a result of the action of another one and, therefore, represents the successful exercise of power (Homburg et al., 1999). Thus, the influence of the marketing department can be defined as the power exercised by the marketing function, in relation to other organizational departments, over activities that are important for business success (Engelen & Brettel, 2011; Homburg et al., 1999).

Homburg et al., (1999) were the first to empirically test the hypothesis that the influence of the marketing department was declining in relation to the other company’s functional areas. To do so, the authors developed an influence assessment procedure, which was later used by studies that had the same purpose (Homburg et al., 2015; Verhoef & Leeflang, 2009; Verhoef et al., 2011).

According to this procedure, the respondent should distribute 100 points among 5 departments (marketing, sales, R&D, operations and finance) according to the influence of each department in each of the following decisions: (1) pricing decisions, (2) strategic distribution decisions, (3) decisions regarding the strategic direction of the business unit, (4) decisions about major investments, (5) decisions about advertising messages, (6) decisions about expansion into new geographic markets, (7) choices of strategic business partners, (8) new product development decisions, (9) decisions about procedures to measure customer satisfaction, (10) decisions about programs to improve customer satisfaction, and (11) decisions about service design and customer support. Therefore, the greater the influence of one department on a specific decision, the more points, out of the 100 available, it would receive.

Through this procedure and using a sample of executives from German companies, Homburg et al., (1999) found that among the decisions analyzed, those in which the respondents believed that the marketing department had a greater influence on were the decisions on advertising messages, decisions about procedures to measure customer satisfaction and decisions about programs to improve customer satisfaction. On the other hand, decisions about large investments, pricing decisions, and decisions about service design and customer support were those that the executives believed that the marketing area had less influence on.

Verhoef and Leeflang (2009), using the same procedure, with some modifications in relation to the analyzed decisions, found similar results in a sample of executives from Dutch companies. Specifically, the authors found that the respondents believed that marketing had a greater influence on decisions about advertising messages, decisions on procedures to measure customer satisfaction and on segmentation, targeting, and positioning decisions. On the other hand, the marketing department was considered less influential in decisions regarding pricing, distribution, and investments in information technology.

By seeking to generalize the results, Verhoef et al., (2011) replicated the same study using samples of executives from six countries (Germany, United Kingdom, Israel, Sweden, Australia, and the United States). In a result similar to that found by Verhoef and Leeflang (2009), it was verified that in most countries, decisions about advertising and procedures to measure customer satisfaction were considered those in which the marketing department had the greatest influence. Whereas pricing and distribution decisions were considered the ones in which the marketing department had less influence.

Lastly, Homburg et al., (2015) carried out a comparison between the data on marketing department influence presented by Homburg et al., (1999) and data collected in 2013 in a similar sample of German companies' executives. Through this comparison, it was possible to verify that there was a significant loss of influence of the marketing function in practically all 11 decisions analyzed, with the exception of decisions about advertising messages, programs to improve consumer satisfaction and measurement of consumer satisfaction.

What conclusions can be drawn from these empirical studies? Although these surveys were carried out with samples from different countries and at different times, which makes their comparison difficult, the results allow some inferences to be made. First, according to the executives, the marketing department has a strong influence on advertising decisions and decisions on procedures for measuring customer satisfaction. Second, studies indicated that, both in comparison to other functional areas (Verhoef & Leeflang, 2009) and over time (Homburg et al., 2015), the marketing department's influence on pricing and distribution decisions has decreased significantly.

Regarding distribution, it should be noted that at the beginning of the 20th century, when marketing became an independent area, the American Marketing Association (AMA) defined this new organizational function as: "the performance of business activities that direct the flow of goods and services from producers to consumers." (Webster, 1992, p.2).

Based upon this definition, it is possible to see that in that period the main assignment of the marketing area was to manage the distribution of products from the place where they were produced to the point where they would be acquired. Therefore, distribution was not only an activity of responsibility in the marketing area, but it was the activity that defined marketing during its first years of existence.

If the marketing department has lost influence over distribution, which corporate function has taken responsibility for this activity? Contrary to the view that the operations area has a greater influence on the distribution, empirical studies have shown that executives believe that the sales department is the one with the greatest influence on this activity (Homburg et al., 2015, 1999; Verhoef & Leeflang, 2009).

When it comes to pricing decisions, although the traditional 4P's framework highlights that price decisions are one of the main responsibilities of the marketing department (McCarthy, 1960; Webster, 1992), in practice, the marketing department has kept itself away from accounting or financial decisions (Homburg et al., 2015; Moorman & Rust, 1999).

Consequently, executives in the financial and sales areas are suspicious about the ability of the marketing department to impact significantly on the company's performance (Gordon, Monier, & Ogren, 2013; McDonald, 2009). In this context, marketers are under increasing pressure to be more accountable and show how spending in that area increases shareholder value (Homburg et al., 2015). The perception of a lack of accountability has undermined the credibility of the marketing function and even threatened its existence as a distinct capability within companies (McDonald, 2009).

If the marketing department has no significant influence on pricing decisions, which department has had the greatest influence on those decisions? Again, contrary to the view that the finance department would be taking overpricing (Moorman & Rust, 1999), for respondent executives, the sales department is the one with the greatest influence on pricing decisions (Homburg et al., 2015, Homburg et al., 1999; Verhoef & Leeflang, 2009). The sales department still has more influence than marketing, operations, and finance in relation to decisions such as expansion into new geographic markets and customer service (Homburg et al., 2015, Homburg et al., 1999; Verhoef & Leeflang, 2009).

More recent studies offer further empirical evidence about the marketing function's relevance to companies. For example, Whitler and Morgan (2017) found that in 53% of American companies the CMO remained in office for less than 3 years, a low figure when compared to the tenure of other senior executives. In another study, Rajgopal and Srivastava (2020) demonstrated that the number of S&P 1500 companies in which the CMO is among the five highest-paid executives decreased by 35% between 1999 and 2017. Additionally, Govindarajan et al., (2019) verified a decrease in marketing-specific spending compared to spending in areas such as innovation and technology.

So, has the marketing department's influence on company decisions diminished? Based on the studies discussed, the answer is yes. In fact, the marketing department has lost influence over some decisions that historically and/ or conceptually belonged to it, such as pricing and distribution. However, contrary to the view that the finance department would be taking responsibility for activities that previously belonged to marketing (Homburg et al., 2015), the studies analyzed show that the sales department is the one that has the greatest influence on these decisions. Furthermore, a group of recent studies serves as an indication that the importance that top management attributes to the marketing department has also decreased (Govindarajan et al., 2019; Rajgopal & Srivastava, 2020; Whitler & Morgan, 2017).

Antecedents of the marketing department influence. Certain factors can contribute to increase the marketing department influence on the company's decisions (Moorman & Rust, 1999; Verhoef & Leeflang, 2009). These factors can be divided into two groups: internal factors or distinct capabilities and external factors or environmental contingencies (Engelen & Brettel, 2011).

Regarding internal factors, the authors reached a consensus that accountability, innovativeness, connection with the consumer, and differentiation strategy (vs. costs) are the four capabilities that most contribute for the influence of the marketing department on company decisions (Moorman & Rust, 1999; Verhoef & Leeflang, 2009; Verhoef et al., 2011).

On the other hand, concerning external factors, there is less consensus. However, there is an empirical support for the effect of two contingencies on the influence of the marketing department: frequency of market changes and difficulty in predicting market changes (Homburg et al., 1999). The following discussion will provide a more detailed description of each of these factors, internal and external, that contribute to increase the marketing function influence in companies.

In the context of this study, accountability refers to the ability of the marketing department to adequately justify its expenses (McDonald, 2009). The more the marketers can demonstrate that their expenditures on advertising campaigns, promotional strategies, market research and other actions have a positive impact on business performance, the greater the importance, influence and respect of the marketing department (Verhoef & Leeflang, 2009; Verhoef et al., 2011).

Like accountability, the innovativeness also contributes to the marketing department influence on the company's decisions (Verhoef & Leeflang, 2009; Verhoef et al., 2011). Verhoef and Leeflang (2009) define the marketing department's innovativeness as the degree to which this function contributes to the development of new products. According to the authors, the marketing function can play an essential role in the innovation capacity of companies, insofar as it can initiate the innovation process or translate customer needs into the flow of innovations.

The connection with the consumer is also part of the group of antecedents that impact marketing department influence. Although there is a consensus of the authors regarding the importance of this capability, they have offered different definitions for this construct. Moorman and Rust (1999), for example, divided the connection with the consumer into three dimensions: connection between the consumer and the product, connection between the consumer and service delivery and connection between the consumer and accountability. In their study, it was shown that the three dimensions of connection with the consumer positively impact the value of the marketing department.

In studies carried out later, the authors started to adopt the definition of connection with the consumer proposed by Hauser, Simester and Wernerfelt (1996) based on only one dimension. According to this definition, connection with the consumer refers to the extent to which the marketing department can translate customer needs into solutions. This definition seems to be more aligned with the dimension of consumer connection to the product, proposed by Moorman and Rust (2009). Of interest to the current study is the fact that, measured only as one or as three dimensions, the connection with the consumer has contributed to increase the marketing department influence on the company's decisions.

Regarding the differentiation strategy, studies have indicated that the marketing function contributes more effectively to a business that adopts a leadership strategy based on differentiation than in a business that adopts a cost-based leadership strategy (Homburg et al., 1999; Verhoef et al., 2011). Unlike a cost-based strategy, which is more oriented towards internal processes, a differentiation-based strategy emphasizes the needs of customers and the adaptation of products and services to the demands of consumers. The focus on identifying customer needs is typically one of the core competencies of the marketing function. Therefore, the contribution offered by the marketing department to satisfy customers' needs through offers superior to those offered by competitors tends to be more important when the business unit strongly emphasizes a differentiation strategy (Homburg et al., 1999).

Concerning contingencies, the study of Homburg et al., (1999) was one of the few to directly analyze aspects of the external environment that could favor the marketing function influence. Homburg et al., (1999) found empirical support to affirm that the frequency of market changes and the difficulty of predicting market changes can contribute to increase the marketing department influence in the company. These two contingencies are strongly correlated with each other and are also associated with market uncertainty. For Homburg et al., (1999) when market-related uncertainty is high, the marketing function tends to be more useful for the company, because there is a greater need to collect and process information related to the market.

Does the marketing department impact business performance?

As highlighted by Feng, Morgan, and Rego (2015), the discussion about the marketing department influence in relation to other organizational functions loses relevance if it is found that the marketing department does not contribute significantly to the business performance. Therefore, as important as analyzing the influence of the marketing function on internal decision-making is to verify its impact on the company's performance (Moorman & Day, 2016).

In general, there is a consensus that a strong marketing department contributes significantly to the performance of the business (Feng et al., 2015; Homburg et al., 2015; Moorman & Day, 2016; Moorman & Rust, 1999; Verhoef et al., 2011). It should be noted, however, that some studies differ from this conception (Goetz, Hoelter, & Krafft, 2013; Merlo & Auh, 2009; Verhoef & Leeflang, 2009). Therefore, in this section, a detailed description of the studies that demonstrated that the marketing function positively impacts the business performance and also those that present divergent results will be presented.

The positive impact of the marketing department on business performance. Moorman and Rust (1999) developed the first study to analyze the relationship between the marketing department's influence and business performance. These authors verified that the marketing function value (a proxy of influence) contributed significantly to the perception of company performance, in addition to the contribution offered by the market orientation.

In a subsequent study, this result was replicated by Verhoef et al., (2011) in seven countries, which demonstrates its robustness. Thus, in addition to facilitating and contributing to the development of a general orientation that places the consumer as the focus of all company actions (market orientation), the marketing department still impacts the business performance through other capabilities.

Additionally, in a study conducted with secondary data from the US publicly traded companies from 1993 to 2008, Feng, Morgan, and Rego (2015) found that the marketing department power has an indirect positive effect on profitability and a direct positive effect on shareholder value. The authors conclude by stating that, on average, the influence of the marketing department on business performance increased over the period analyzed (1993-2008), which suggests that any perception of an apparent decline in the power of the marketing department during this period is unfounded (Feng, Morgan, & Rego, 2015).

Divergent results. Three studies diverge from the more accepted view that the marketing department influences business performance (Goetz et al., 2013; Merlo & Auh, 2009; Verhoef & Leeflang, 2009). Verhoef and Leeflang (2009), for example, in a sample of Dutch companies, found that there was no direct effect of the marketing department's influence on business performance. For these authors, a strong marketing department only contributes to the development of market orientation.

However, two years later, in order to generalize this result, Verhoef, Leeflang, and colleagues (2011) carried out a similar study, but with a sample of companies from six different countries (Verhoef et al., 2011). Contrary to the result obtained only in the sample of Dutch companies, it was possible to verify that the marketing department's influence had a positive impact on business performance.

Merlo and Auh (2009) produced another study in which the results were divergent. However, in this study, the authors were not interested in verifying the direct effect of the marketing department's influence on business performance. These authors found no direct effect of market orientation or the marketing department's influence on the perception of financial performance. On the other hand, an interaction effect between the two variables was found, indicating that market orientation alone may not be enough, it needs to be complemented by a strong marketing department to affect business performance.

Finally, Goetz et al., (2013), in what is probably the study with the most unusual result among those who set out to associate marketing function influence and business performance, demonstrated that a strong marketing department negatively impacts the business performance. However, in further analysis, the authors found that an influential marketing department can contribute positively to performance, but only when the market orientation is high.

What can be inferred from these studies? Although there are divergent results, the most accepted hypothesis is that an influential marketing department positively impacts business performance (Moorman & Day, 2016). These studies also demonstrate that the marketing department's contribution to the company's performance is not limited to stimulating market orientation, but also comprises other actions that have the potential to make the company more profitable (Moorman & Rust, 1999). Therefore, even if the company develops and internally shares the set of beliefs and values that support the market orientation, it is still necessary to maintain a strong and influential marketing department.

General discussion

Companies have undergone profound changes in the way they are organized (Clement & Puranam, 2018; Kopalle, Kumar, & Subramaniam, 2020), and this process has raised doubts about the relevance of some of their organizational functions, as is the case with marketing (Homburg et al., 2015; Germann et al., 2015). In the present study, we sought to discuss the importance of the marketing department for companies by means of two guiding questions: (1) has the influence of the marketing department on company decisions decreased? (2) does the marketing department impact business performance?

Regarding the first question, it was possible to verify that the marketing department has lost influence on the company's decision-making since decisions that belonged to it have been incorporated by other functional areas (Homburg et al., 2015; Homburg et al., 1999; Verhoef et al., 2011). Two notable examples of this phenomenon are pricing and distribution decisions.

Although pricing and distribution decisions originally belonged to the marketing area, these two responsibilities are increasingly distant from the marketing department. Interestingly, studies have shown that the sales area predominantly has become responsible for pricing and distribution decisions (Homburg et al., 2015). Moreover, recent studies have demonstrated that the top management team respect to the marketing function has diminished, which is another evidence of the loss of influence experienced by marketing department. This inference is based on the decrease in the number of CMOs who are among the five most compensated managers in prominent companies and the reduction in the firm's marketing expenditures over time (Govindarajan et al., 2019; Rajgopal & Srivastava, 2020).

Concerning the second question, in general, studies have indicated that an influential marketing department can impact on business performance (Feng et al., 2015; Moorman & Rust, 1999; Verhoef et al., 2011). This impact can occur in two ways. First, a strong marketing department can contribute to the dissemination of market orientation through the company, assuming responsibility for coordinating the processes of generation, dissemination and responding to customer requirements (Verhoef & Leeflang, 2009). In addition, the marketing department can also impact business performance by increasing the connection with the customer, avoiding myopic management and contributing with the development of new products (Srinivasan & Ramani, 2019).

The present study contributes to the marketing literature by gathering the findings of two important theoretical streams that analyze the importance of the marketing department; on the one hand, studies that analyze the influence of the marketing function on internal company decisions in relation to other functional areas, such as operations, sales and finance (eg. Homburg et al., 1999; Homburg et al., 2015; Verhoef et al., 2011); on the other hand, studies that check how the influence of the marketing department impacts the company's performance (eg. Moorman & Rust, 1999; Feng et al., 2015). In doing so, it was possible to identify that the marketing function is faced with a paradoxical situation, because although it contributes significantly to the performance of the business (Feng et al., 2015) it is losing its influence on the internal company's decisions (Homburg et al., 2015).

This and other issues discussed throughout the present study may stimulate the development of future studies. An interesting starting point for future research would be to analyze how the marketing function has been organized in companies. Homburg et al., (2000) developed a study in which they described the changes in the marketing function resulting from the changes in the business scenario of the 90s. Similarly, studies could verify how the of the business scenario of the last decade, characterized due to the importance attributed to data, social networks, logistics and means of payment, they changed the way marketing is structured and practiced in companies. In this sense, the Journal of Academy of Marketing Science recently released an issue that offered an initial understanding on how technology will transform the marketing practice in the near future (Grewal, Hulland, Kopalle, & Karahanna, 2020). However, studies that analyze how technological advances can modify the marketing department structure, organization, influence and importance are still needed.

The paradoxical situation experienced by marketing can also stimulate interesting research projects. Is this loss of influence from the marketing department necessarily bad? Classical authors argued that at an ideal stage there would be no marketing department, this function would be everyone's responsibility (McKenna, 1991). Marketing would not be a function; it would be the organization's function.

Based on this conception, the combination of loss of influence from the marketing department with an increasing adoption of market orientation, may indicate that the marketing function is evolving from an initial stage characterized by the restraint of marketing expertise within a department to an stage that favors the sharing of marketing skills and responsibilities among various actors in the company. Would the decline be evidence of evolution? Future studies are expected to address this issue with greater empirical rigor.

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