



We believe **research** should lead to action.

BACKGROUND

As vice president of strategy for Greensboro, N.C.-based VF Corp., parent company to some of the country's most well-known apparel brands, **Stephen Dull** oversees corporate business communication, consumer insights, long-term strategic growth, innovation and brand development. He previously established marketing, sales and brand strategies for consumer products as lead partner of Accenture's brand strategy practice. Dull also worked for McKinsey & Co., where he started the management consulting firm's B-to-B marketing center.



What does your marketing dashboard look like?

Our marketing dashboard ties in directly with our core business strategy of building growing, global lifestyle brands. Today, VF has more than 30 apparel brands like Wrangler, Lee, The North Face, Vans, JanSport, Nautica and 7 For All Mankind. Each of our brands is managed from within our groups called "coalitions": outdoor, action sports, jeans wear, sportswear, contemporary brands and image wear. This structure enables us to leverage our size, scale and global expertise across each coalition, while ensuring that each brand is expertly managed.

One of the key missions of the strategy team that I lead is to introduce new methods of brand-building activities, marketing sciences and measurement tools to help our brands achieve their growth goals. So for us, and competitors, we track brand equity and trends, share of voice, market share, online sentiment and marketing return on investment in our key markets worldwide.

One of our key growth initiatives is expanding our owned retail and e-commerce presence. We have more than 700 single-brand retail stores, so we keep metrics on traffic, conversion and average purchase. We monitor similar metrics on the Web.

How do you measure the success of your marketing programs? How do you establish your benchmarks?

We measure success through a number of efficiency and effectiveness measures and look for continuous improvement.

On the efficiency side, we measure marketing return on investment (MROI) by media, by week, even by book. We believe research should lead to action. We do not measure MROI just to get a number; we use it to profitably grow the business by interpreting and then acting on those numbers and their implications.

In terms of measuring effectiveness, we study brand health research to understand how to improve brand equity and estimate share gains by making improvements. We also conduct advanced segmentation research, which provides very specific direction and identifies growth opportunities and the potential benefits of investing in those opportunities. At a tactical level, we perform extensive copy testing.

We routinely benchmark against our brands, competitors and even other industries. We compare our brand results against a total vendors' test base, an apparel norm that we developed.

How does your CEO/CFO measure success, marketing or otherwise?

Our CEO and CFO are extremely dialed in to our brand-building efforts and results.

Our CFO, Bob Shearer, focuses on the core financials of the business, such as revenue, gross margin, operating margin, and selling, general and administrative expenses. Several years ago, we introduced the metric of total shareholder return (TSR) within our organization. TSR has two primary components—share price accretion and dividends—and we use it as a filter for making investments in our business, including marketing. Important elements of driving strong TSR include top-line growth, strong gross margins and lower expense levels. In addition to market share, we use TSR to compare VF's overall performance against our peers.

Eric Wiseman, our chairman and CEO, focuses on the same set of financial metrics but also looks at individual brand progress against its performance goals and VF's overall strategic objectives. Having spent the majority of his career leading and building brands, he has a thorough understanding of our core marketing measurements and monitors them on a regular basis. **m**

STEPHEN DULL ON:

His Interaction With VF's Brand Managers:

"I don't interfere [with] how they manage brands. I try to support and guide. ... Walking into our companies, the cultures are dramatically different. It's one of the reasons why not to force everyone into the same mold."

A Valuable Career Lesson: "The older I get, the less I think I know, and when I get into trouble is when I think I know something. ... Being afraid of what you don't know helps you open up and discover."

Insight From Dilbert: "My favorite cartoon is where [Dilbert] is assigned to marketing, and he arrives at the department and there's a banner over [the door reading]: 'Marketing. Two Drink Minimum.' And that is really what people think about marketing. Marketers in general need to step outside their function and understand the rest of the world. The more they can do that, the more effective they will be."