

## A Discussion with the National Football League's Dawn Hudson

Boyden's *Leadership Series* presents discussions with business and thought leaders from organizations across the globe. The series focuses on topical issues that offer executives, political leaders and the media insight into current trends in business and talent management in the global marketplace.

This issue features Dawn Hudson, Chief Marketing Officer of the National Football League (NFL). In the interview, Hudson discusses the history of her work with the league and Commissioner Roger Goodell, making the league more "fan-centric," NFL global expansion, critical points in hiring decisions, and why sports are a predictor of career success.



**Dawn Hudson**

**For the BOYDEN VIEW on the qualities of today's "A-list" CMOs, continue to page 8.**

Named CMO in October 2014, Hudson brings to the NFL broad experience at the highest levels in a variety of industries, including consumer goods, food service, and communications.

Prior to the NFL, Hudson served as Vice Chairman of The Parthenon Group, a Boston-based strategic consulting firm. There she led and developed the firm's consumer practice, focusing on the food, beverage and restaurant sectors across North America, Europe and Asia. Her specialties included growth strategies and working with CMOs on critical investment decisions.

Hudson previously spent 11 years at PepsiCo, where she rose to the position of President and CEO of Pepsi-Cola North America. She held other senior-level positions at PepsiCo, serving as the top marketer at Pepsi-Cola North America and Frito-Lay International. As CMO of Pepsi-Cola North America, Hudson was named Adweek's number one most influential marketer. Prior to joining PepsiCo, she gained extensive marketing, advertising and brand experience at major agencies such as DMB&B and Omnicom.

Hudson currently serves on the boards of a number of public companies, and was a board member of the LPGA from 2001 to

2010, serving as chair the last two years. Hudson is also a former chair and board member of the Association of National Advertisers (ANA). She is a graduate of Dartmouth College.

**Boyden:** You've been CMO of the NFL for a bit over a year. What has surprised you?

**Hudson:** What surprised me is the breadth of engagement that marketing gets into. Looking at the big picture, my responsibilities are the marketing of the league as well as building and reinforcing the current fan base and future fan base. I also run the events teams, which conceive and execute all league events, including the Super Bowl, the Draft and Kickoff events, in addition to marketing the NFL Network.

Before taking this role, I was doing more general management and I hadn't been a chief marketing officer since 2002. The breadth and the impact of this particular job is broader and therefore more exciting than I thought it was going to be. Marketing is a core skill that provides services to many parts of the league.

**Boyden:** While at Pepsi you worked with now Commissioner Goodell when your company was a sponsor of the NFL, and now he's your boss. How has that change played out?

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**Hudson:** First of all, one of the defining moments for me at PepsiCo was partnering with the NFL, because it wasn't just signing the NFL to a partnership. It was changing the NFL from having been a Coke sponsor for decades and shifting it to Pepsi. That was a big moment for PepsiCo, and a big moment for me. The person who was executive vice president overseeing NFL business partnerships at the time was Roger Goodell, who several years later became the commissioner.

The shift to Pepsi from Coca-Cola as a league sponsor was a fairly seismic shift for both organizations. When Pepsi became a national sponsor of the NFL, it wasn't just about a national sponsorship. To activate it, you also need to partner with at least 50 percent of the clubs. So we then embarked on a multi-year effort to win pouring rights with many new clubs.

I got to know Roger before he was commissioner in what was a pivotal point for his career and for mine. Then over the course of the next seven or eight years, I went to every Super Bowl and I worked with many of the club owners. So I built a close working relationship with both the league and the owners.

I obviously understood the external persona of Roger when I started as CMO. But, while at Pepsi, I never appreciated the breadth and difficulty of the job he has. He has incredible understanding for every element of the business, but I also admire his values and his character in how he does the job. You just don't see that from the outside as much as you do from the inside.

**Boyden:** What is your biggest challenge?

**Hudson:** The NFL is an icon of popular culture that's also the most successful

sports league. Then you add the element of visibility and the reality that everybody likes to tear down a big entity. When I joined, I was looking forward to the challenge. This was before the Ray Rice video went viral [NFL star player arrested for domestic violence and suspended from the league].

The NFL I joined was large and successful, and very much one of the world's top brands. There's always a challenge with something that big and that successful. How do you keep it fresh and reintroduce it to the next generation of fans? That by itself is challenging. Then add to it this microscope that the NFL will always be under. It means any mistake is amplified, any lesson learned is amplified. And yet the impact and the ability to have an impact are also amplified. That has to be looked at as a positive, not a negative.

**Boyden:** How do you compare marketing at PepsiCo versus the NFL?

**Hudson:** There is a very clear crossover, when you have iconic brands like Pepsi and the NFL. Pepsi, the choice of the youth generation, launched in the 1970s. I joined the company in the late 1990s as chief marketing officer, with the job to make sure the brand was every bit as relevant to youth, which are large consumers and fans of soft drinks.

It's very similar to my job at the NFL, which is to make sure that we're serving our current fans and also building a pipeline of future fans. You have to make sure the brand stays relevant and evolves. The role media and social play and the role "live" plays is so different from 10 or 20 years ago. A brand's got to adapt to remain relevant. It's a requirement to adapt while staying true to who you are in order to stay relevant. It's a very close parallel for

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both Pepsi and the NFL. Add to it the fact that PepsiCo is one of our biggest sponsors. That keeps it pretty close too.

**Boyden:** When you're on your commute home or late at night, can you share the differences in what you're thinking, comparing the Pepsi days to the NFL days?

**Hudson:** The majority of my time at Pepsi was as president and CEO of the North American beverage business. I spent my time thinking about delivering topline growth, delivering earnings, and making sure that everything we did was being done in the right way and with the right spirit of integrity. But it was really about a publicly held company and the importance of not only performance but sustained performance.

That's very different from when you work for a sports league that's owned by owners and you're trying to do what's right for the sport. I'd say it's easier in a league on one level. We think in terms of a season and the future, not in terms of quarters. It's easier to look into the future when you're not under quarterly earnings pressures. In corporate America, you have more pressure on the short term. Our short term is the games this Thursday night, Sunday afternoon, Sunday night, and Monday night.

**Boyden:** The NFL is part of "live" business in an age when nearly everything can be delayed or accessed later on demand. The NFL and sports are best live. How do you leverage that?

**Hudson:** As much as people are fans of a team and watch a particular game, they love to keep up with what's going on in all the other games. So live is very important, but you can't consume everything in all live games.

The ability to access highlights and stats and find out what's happening throughout the league is also important.

That's what is so magical to me about this job. One of the biggest differences in selling a product that people consume multiple times a day or week, such as a soft drink or snack, is that it is a small out-of-pocket purchase. So, 25 years ago what Pepsi was doing with Michael Jackson was really big news. Today what's big news is that Apple's coming out with a watch or they've announced that they're making a car. Consumer products generally don't have the same kind of visibility today.

But to be in an industry and in a sport that literally people's lives revolve around is an opportunity. "Appointment TV" is dead, except when it comes to a live event. If you have kids today you might have five screens going. So you're not only watching it, you're sharing it.

I think the thing about live events is that they tend to be shared experiences. Any kind of psychographic data says that in today's crazy-paced life, where recessions come and go and finances of the country go up and down, one of the things people crave more than anything is life experiences, maybe versus having a big home or a job you spend 60 hours a week at. They don't want that. Today, many people are willing to trade off size of home and how much time they spend at a job to make sure they get to have experiences in life.

**Boyden:** You recently said you plan to make the NFL more "fan-centric." What does that entail?

**Hudson:** Two things: The NFL is in some ways regarded as a big business that's

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represented by a big shield that includes the league and its business. And there's been a lot of attacking that. The game represented by the football, the players that play the game, the officials that do the officiating, and the fans that watch – that's all part of the game people love. I want to get us to the point where we can get away from all the dialogue around the business of the sport and back to the pleasure of the sport and the game on the field.

The second piece is recognizing that our fans are not all the same, and that it's a mistake to define people by levels of affinity: I'm a casual fan, or I'm an avid fan. The opportunity is to understand the many different ways people express their love of football and engage with football. Understanding how a 50-year-old reacts to the sport versus somebody who's starting a family at 30 or a teenager, and making sure we're creating viewing experiences and digital experiences that are tailored to those different audiences – that's a huge opportunity for marketers, period, but particularly for a sport that people are passionate about.

**Boyden:** The NFL has played games in London, Mexico City and other global spots. Why would you say global popularity is growing, and do think the league should have moved earlier or were international audiences not ready?

**Hudson:** The global digital world has already contributed to the fandom that exists today in Germany, France, the UK, Brazil and China. Expanding globally has helped many sports, including Premier League soccer coming from Europe to the United States, as well as basketball being exported to Europe in a big way. I gave a speech in Kuwait last November and I thought I would have to describe

to them what the NFL is and what I did. But they all knew what time the games were on that weekend. That's the power of a media product that is available digitally everywhere around the world at one time.

For example, I was in London for the recent game between the Dolphins and Jets. It was broadcast at 6:30 in the morning in LA and 9:30 in the morning in New York, and actually did well. It seems to be a timeframe on Sunday when people like a game. But then you're able to see it late at night in China. That was the beauty of that particular window in terms of multiple hours a day that people could catch it. There's no question that we're in a global market and events easily transport across countries, passion points, and the desire to be current. Digital has really exploded the global sports landscape.

**Boyden:** Turning to leadership, how would you describe your management style?

**Hudson:** First, I set a vision to make sure we're all oriented in the right way. One of the things I've experienced about sports leagues versus corporate America is that they run very lean. More than ever, you can't afford doing extraneous things. So it's laying out a vision, both a long-term vision as well as short-term. It helps employees prioritize what they spend their valuable time doing.

It includes motivating people to bring out their best, and to bring their creativity, enthusiasm, and every extra ounce of energy. I think you do that by setting a vision, turning over ideas to everybody so everybody owns them and contributes in that one direction, while all swimming together. The third thing is to thank people, recognize accomplishment, and recognize how hard people are working. Who you

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work for is often more important than where you work. It's critical to work for somebody who treats you well, champions your career, and seeks opportunities for you to grow. If you don't do most or all of those things, your people are not going to stay doing that job. They want to grow and learn and be recognized, and do something of value that makes a difference.

**Boyden:** What's most important to you in terms of your team?

**Hudson:** Diversity of experience, diversity of thinking, and the ability to communicate different points of view to arrive at a consensus. I don't necessarily define diversity as race or gender. People love sports. Sports as an industry, and certainly the NFL, has lower turnover levels than corporations because it's a passion for people. They have the ability to do their job and enjoy their passion at the same time. That is a phenomenal positive.

The negative of it is that you get a lot of people who have only known and done one thing. I believe that teams are most effective when you have diversity of thinking and experience in the room. It's important to me that I build a team where people haven't all done the same kinds of things, and they have permission to speak and share their different points of view. A diverse team with diverse experience will solve a problem more creatively and faster than a team that looks the same and has the same experience base.

**Boyden:** What's your standout "lesson learned" in your career?

**Hudson:** I have the capacity to do a lot, but I learned many years ago that it's actually far more important to do less and focus on

the things that are most important. Roger Enrico [former CEO of PepsiCo] once said to me, "You can make a lot of little changes to a lot of things, or you can make a couple of big changes to one or two things and that will have impact." That includes making big changes to small things and big changes to big things. But making small changes to a lot of things won't get you anywhere.

The second thing I also learned from Roger was when I was considering leaving my job as the head of an advertising agency to join him at PepsiCo as the EVP of Sales and Marketing at FritoLay. I learned that when you make a career move, you first have to think about the people you're going to hang out with. You work so many hours a day, it's important that you're in a culture and a community of people you like.

**Boyden:** You've said in the past that you "trust your gut." What else is important when making a talent decision?

**Hudson:** I want to know about the person's biggest job in the past, and what they did that was the hardest, as well as what they're most proud of. This includes what did they have to do and how did they do it, so I understand how they think and how they operate. And then I ask them what they learned from the most. Maybe it wasn't successful. But, hearing how they answer those things that stand out to them in their experience is critical. Also, without divulging confidential or inappropriate information, I try to share something that I'm working on now.

From there, I want to hear how they interact with me and how they're thinking about something they don't know a lot about.

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**Boyden:** You're an athlete, having played golf and Division I tennis at Dartmouth. Do athletes make better executives if they have exposure to both sports and education?

**Hudson:** Sports are a big predictor of success in life. Sports teach you to work through adversity to win. Nobody steps onto any court, any team, and doesn't have challenges, a great opponent, or something that doesn't work. So I think the nature of playing sports and the nature of competition teaches you how to go back after things, how to accept failure, and then go back at it again. You're brought down on the football field. Stand back up. Run the play again. Get it to work the second or the fifteenth time.

I think the other thing sports can do is teach teamwork. Individual contributors don't lead companies. Leaders lead companies. Even if you're playing tennis, you're playing on a tennis team. Sometimes you have to play a spot down. Even today, at my age I will have to go and play singles for a team even if I normally play doubles because one of the singles players got sick.

Looking at the tennis analogy, if you go out on a court and you try to play it safe and keep the ball in play, at a certain level you might win. But there's going to come a level, a 4.0 [rating] and above, where you're not going to win if you play it safe and keep the ball in play. You're going to have to go look for your opening, make the play, go on and "follow it to the net" to win.

In the business world, you also have to be able to change it up. The world is moving too fast. One of the problems with corporate America, and maybe in sports,

is that you can't necessarily play the way you played it last year. You've got your game plan, but then if the world shifts or your industry dynamics shift, you have to be nimble and figure out your new winning strategy.

**Boyden:** What other sports do you think offer interesting analogies in terms of success?

**Hudson:** I could argue that football is one of the hardest strategic sports. You can put two great players on a five-man basketball court, give them the ball 60 percent of the time, and you can kind of control the outcome. You put two stars on a football team and if they're not set up in the way they need to be, they cannot be successful.

**Boyden:** In terms of the people piece, where do you see executive search firms playing a role?

**Hudson:** I've worked with many executive search firms, and they've been very helpful in my career choices. They bring a perspective across multiple industries. When you want to hire someone, it's very helpful to have the perspective of people who have seen what's worked in other sectors.

Too often I see people trying to hire someone with the exact prior experience for the exact job they want done, which they perceive to be safe. That person's done that over there. I'll bring them over to do it here.

They may be missing a big opportunity to bring in new thinking, by hiring someone with the skills they need and a fresh perspective to apply it to a new industry.

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I think great recruiters can bring a viewpoint that's more skill-based and involves other industries. It's particularly important in sectors such as media that have undergone great change. Executive recruiters can push you to ensure you are really thinking broadly enough about what kind of player you will need in that role to be part of your team for the future.

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*The views and opinions expressed here do not necessarily represent the views of Boyden; only those of Ms. Hudson.*

*For insights on the "A-list" qualities of today's Chief Marketing Officers, please continue to the Boyden View section.*



**Jeanne Branthover**

## THE BOYDEN VIEW: Today's A-List Chief Marketing Officer

Jeanne Branthover is the Managing Partner of Boyden New York

### What makes an "A-list" CMO today?

Today's CMO is expected to have a very significant impact on building brand recognition that will directly and positively affect revenue.

It's often said that CMOs are the first on the firing line if a company's momentum slows, while they often enjoy the credit when revenue jumps. Is this fair?

No, this is not a fair statement. Today's CMO is a critical player in the C-suite and a member of the executive committee. They are no longer the first to go when sales are down. Their responsibilities are broad, including PR, branding, corporate communications, product marketing, competitive analysis and analytics, metrics, channel partnering, website, social media, events, tradeshow, and working closely with inbound and outbound sales teams with lead generation.

### How much of a CMO's job is art, and how much is science?

Today's CMO's job is a combination of art and science. Analytics has become a very important part of marketing, including market data, competitive analysis, tracking of customers, targeting demographics, etc. The art will always be a part of the job with branding, website design, and events.

As technology changes, so will marketing in how it uses technology to reach customers and win market share.

### How do CMOs differ by sector, such as financial services versus consumer/retail?

A CMO's role and overall responsibility is generally the same regardless of industry. A good example is Dawn [Hudson] successfully utilizing her skillset and moving industries from consumer products to sports. The job of a CMO has become more important in every industry, and the expectations put on the CMO are greater, since branding has become key to increasing revenue.

### What are the future growth areas for the CMO space?

With technology changing, so will the future growth areas of a CMO. Data, testing, analytics, metrics, websites and social media will continue to play a bigger and bigger role in marketing.