



## New Filters for Hiring CEOs in 2016

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I remember something a retailer once said to me more than 25 years ago, long before digital mattered. It's still true today: if the product's not right, nothing matters. If the product is right, everything matters. That everything now includes staying ahead of the consumer digitally. We've gone from a generation that saw technology as a skill, to one that doesn't see it at all – it's so natural it's become instinct. This shopper lives in a world where digital doesn't just define shopping habits - it defines the way they live.

To be an effective CEO today means recognizing this changed consumer; this is someone who, thanks to technology, has earned an MBA in shopping. A successful CEO must now have a PHD. And that doctorate comes with a total command of digital behavior.

Executives at Google, Amazon, Apple, eBay and mlb.com have earned this degree. They are joined by a small but ever increasing group of longtime retail leaders who have embraced technology. They are at the forefront of this new thinking, bringing a human element to technology.

Today's CEO has to look at the world through new filters.

They surround themselves with, and embrace, functional leaders who use more advanced technology and analytics. Doug Mack, CEO of Fanatics, is meeting his charge to make this company one of the most impactful sports marketing brands in the world, joining the prestigious ranks of Nike and Under Armour.

With technology driving change at incredible speed, today's CEO can only engage ideas; not marry them. Gary Friedman, CEO of Restoration Hardware, reinvented his brand by applying a fashion sensibility to materials and creating new home product that fell outside the brand's traditional offering. Now, he's adding fashion accessories that spin off his core business, creating a universe beyond sofas and tables his customer's love.

They rely on a great core product, surrounded by a variety of complimentary accessories, to bring relevance to a category. Tom Kartsotis, founder of Shinola, made watches matter to a shopper who gladly found the time on his iPhone. Many retailers had abandoned watches, assuming they'd die as technology grew. But Kartsotis created a need beyond technology by surrounding his watches with bikes, leather goods, handbags – all designed to extend the brand beyond its normal product range. Shinola's memorable brand experience and the full embrace of technology drives these messages home. Because of this, Kartsotis doesn't have to rely on or fall prey to discounting. At holiday time, there wasn't a markdown in-store or on-line.

As modern as a CEO has to be, they never forget that a great product has to be coupled with a great brand, and they deliver that brand experience through every consumer touch point. Roger Farah was Ralph Lauren's operating partner for years, and brought the brand to life. As the new CEO of Tory Burch, he is now creating a brand that uses technology in support of classic brand marketing. Tory Burch is quickly becoming as ubiquitous as the 50-year old iconic brand he came from.

They meet their customer where they live. When Mindy Grossman took over HSN eight years ago, the brand was predicted to wilt under the pressure of digital. But Grossman, who refreshed the brand with celebrity chefs, fashion designers and more relevant hosts, diversified HSN's content across all platforms, with edited merchandise designed to offer an efficient shopping experience for women on the go. Understanding her customer, from busy schedules to ever evolving tastes, allowed her to create product they loved, and entertain them no matter where they happened to be.

Historically, successful retail leaders have always been intuitive. Deeply immersed in their respective businesses, with a passion for product, the qualities that allowed them to be predictive are as important today as they ever were. But in 2016, those attributes are no longer enough.