

Kevin Warren Transcript

Kevin: We like to say it's about meeting the customer where they are. It's about how they wanna buy, not about how we wanna sell. But if you start talking about a more sophisticated, a long-lasting relationship, that's where people come into play, and those tend to be less transactional, and when they get out of that transactional space, it's amazing that, financially, that can be good for the company, because it's more of a value-based, long-lasting relationship, which tends to come with higher margins and happier customers.

Matt: To thrive in a rapidly evolving landscape, brands must move at an ever-increasing pace. I'm Matt Britton, founder and CEO of Suzy. Join me and key industry leaders as we dive deep into the shifting consumer trends within their industry, why it matters now, and how you can keep up. Welcome to The Speed of Culture. Today, we're going to be speaking with Kevin Warren, the EVP and Chief Marketing & Customer Experience Officer at UPS. Kevin has over three decades of experience in the marketing world and was recently named in Forbes 2022 World's Most Influential CMOs list and recognized by Adweek as a 2023 brand genius. Kevin, so great to see you. Thanks so much for joining today.

Kevin: Thanks for having me, Matt.

Matt: So we're going to go way back here, Kevin, and you might not even remember the earlier parts of your career, but at which point do you remember where you knew that you wanted to be in the world of marketing for your career?

Kevin: Well, you know, look, I think understanding the things you're enjoying, what you're good at. Although I studied finance at university, I knew I was a people person. I like being with customers. I like understanding how you compete. So it's just a really good fit. I mean, I started my marketing career really on the sales side. And then as I matriculated through Xerox at that time, I got more and more marketing experience and started leading marketing organizations as well.

Matt: Yeah, I think it's interesting. Sales get a little bit of a bad rap. Sometimes it's typecast. But, you know, ultimately, the purpose of marketing is to sell stuff. And I think understanding what it means to sell as a foundation of how you're building yourself is incredibly important for anybody entering the marketing space.

Kevin: Well, not only the marketing space but look, you know, I don't know how a company can be successful if they're not selling things, whether it's service through their products, et cetera. Then also that face-to-face connection with customers and the customer experience and the competitive landscape and pricing. I mean, it was a really good training ground for marketing going forward.

Matt: Yeah. And I'm sure that you've been on the receiving side of many sales pitches over the years, as well as given sales pitches. What do you think makes a good salesperson?

Kevin: So first of all, a good salesperson has to be relatable to their customer. It's about really enabling what the customer needs and wants as opposed to what they're selling. And then once you build that trust and that credibility, it's just about doing business as opposed to a hard sales pitch.

Matt: Right. Less transactional.

Kevin: Less transactional, more relational. You're absolutely right.

Matt: Yeah. In some ways, that's a lost art in these days. In this AI-driven era, a lot of companies are trying to build AI salespeople. We're in a Zoom-based world right now. And, you know, I think a lot of the core tenets of sales are about relationships. And sometimes that can get lost based on the evolution of how business is done today.

Kevin: Yeah, I agree. I think there's absolutely a role for digital and technology from a sales standpoint. We like to say it's about meeting the customer where they are. It's about how they want to buy, not about how we want to sell. But if you start talking about a more sophisticated, long-lasting, relationship, that's where people come into play. And those tend to be less transactional. And when they get out of that transactional space, it's amazing that financially that can be good for the company because it's more of a value-based, long-lasting relationship, which tends to come with higher margins and happier customers.

Matt: Yeah, without a doubt. So taking you back in your career, you joined Xerox in the mid-80s and would stay there for over 30 years. And that's something that we often don't see with young employees who leave school and join a company. They usually look at it as a stepping stone to where they go next. How were you able to, I guess, continue to stay interested in the same company and also, for your sake, stay relevant at such a business for so long? And what are some of the key learnings that you remember from your long career there at Xerox?

Kevin: Well, Matt, look, I was looking at it as a stepping stone, too. It wasn't my plan to be there all day.

Matt: I'm sure.

Kevin: My first instinct was just to go there to get some experience and to go to Wall Street. And a funny thing happened along the way. In that, I enjoyed the company. I enjoyed the people, the relationships, best friends. I either brought it there or made it there. Godfathers of my children. I met my wife there. And so when you have that connection between the company culture and your values, at some point, the work and the living just go hand in hand. And so I enjoyed it. And then every time I considered going somewhere else, I would either get a promotion or another cool opportunity to grow, to go outside my comfort zone. And then the next thing you know, you look up and you've been there for a good little while, but you've enjoyed the ride.

Matt: Yeah. Now, Xerox is obviously a company. I mean, a lot of people know them for making photocopiers, as I'm sure you've heard a million times before. But I really look at it as a company that really reflected over the last several decades, the current state of technology, because it was a business company that had to continue to offer innovation through digital technology for its customers. Like, did you find it to be a challenge? Or did you focus on really understanding where technology was headed to stay relevant?

Kevin: You had to understand the technology piece because, first of all, it's a way to differentiate yourselves from your competitors, but also in one lifetime, just the amount of change, right? So, you know, in the 80s, as you mentioned, that was before really the internet or digital printing. So you

had to understand the impact that technology was going to have on how consumers were going to buy and what the value proposition had to be and what the competitive landscape would be. There would be winners and losers. And then also there would be pressures and opportunities on the business model. So, yes, technology and staying relevant, and adding to your game so that you can continue to be the best is really important.

Matt: Yeah. And I also imagine another piece, and we've touched upon this, is just understanding the dynamics and some ways politics of an organization, because, you know, you started as an intern. And by the time you left, you were basically in the C-suite of the company. And you don't do that without pushing the right buttons and understanding the right people. And, I mean, is it about corporate politics? Or, like, what advice would you give someone who wanted to work their way up the corporate ladder at a big company today? Like, what worked for you in doing that?

Kevin: Yeah. So look, I'll say a couple of things. One is my mom was a teacher. My dad worked for the local government and drove a cab part-time to make sure we had food on the table and the bills and all that stuff. So I didn't have a corporate titan having dinner with me every night at home, but my parents provided a really good life for me and helped support me in going through school. But I did have an older sister who was a librarian and she gave me this book called *What They Don't Teach You at Harvard Business School*. And it was the unwritten rules to help you reticulate through the corporate culture, you know, how to dress, how to take feedback, where to sit in meetings. Up front is better than in the back, by the way. And then as I started working in the company, I gave a lot of thought to the question he was asked. I said, okay, how am I being successful? And then when I see other successful people, what are the things they have in common? And I, from there, I came up with this framework of success. I call it the success triangle. And it's three major things, all right? So the one is the top of the triangle is performance. You're not going to get promoted and have all sorts of success or go from company to company if you aren't able to deliver on your performance goals. And when I say deliver, I mean deliver consistently and at high levels. Whatever your KPIs are, you know, whatever the measurements are, you have to nail them. And the ability to be able to get things done day in and day out, week in, quarter in, year in, and year in. So delivering performance consistently would be the first part of the triangle. Okay. By the way, you can't do that. You don't pass go. All right.

Matt: Right.

Kevin: Okay. Now I've seen people who have been excellent at that, but still have not done well because there are two other parts of the triangle. The second is what I call behavioral. So corporations, it's not like working in a lab. They're social institutions. You're working with people. We're talking about the importance of people. So that means how are you able to collaborate?

Matt: Right.

Kevin: How are you able to give credit, not take credit? How are you able to take feedback? Are you the type of person when somebody interacts with, they walk away and feel energized? Or are you the type of person when somebody interacts, you just drain all the energy from them? So there is a social aspect. By the way, a lot of people that deliver on that first part, you know, they don't do too well on the second part because they're trying to take credit. They're backbiting and all this stuff, whatever. So you have to be able to do both. And then the third part you asked me about earlier, and that is if you plan on being in business for a while, business is going to change, right? So the ability to constantly up your game and improve your skill set. And I like to give the analogy there, like if you

were a company, your R&D engine. And if you think back to the iPhone, they just launched the 15. You know, the iPhone, when it first was launched, BlackBerry owned that market. And the iPhone 1 was revolutionary. Well, imagine how much trouble Apple would be in if all they had was the iPhone 1 now as opposed to the 15.

Matt: For sure.

Kevin: So when you think of yourself, think of yourself like that, that product development, you have to every year, 2024, Matt has to be better than he was in 2023. If he isn't, the competition's going to catch within. So it's those three things performing at a high level from a behavior standpoint, getting along with your colleagues and collaborating and then constantly adding to your game and getting smarter and smarter. Those three things.

Matt: It's really interesting, Kevin because I see the signed jerseys of Mariano Rivera and Magic Johnson. Yeah, you two Hall of Famers. And you look at their careers. They did just that, right? They obviously had great stats, but they were also great teammates. And they also continually evolved as the game did, whether it's changing hitting patterns. And there are some players, as we know, being sports fans that put up great stats, but they don't make their teammates around them better, right? And ultimately, they don't make the Hall of Fame.

Kevin: That is a great observation, Matt, you made. We did webcasts for small and medium-sized businesses where we brought in celebrities who are also good business people and have good leadership skills. And they tell their story as what made them successful as an athlete or maybe a celebrity. And then how that translated to their business success. So you're absolutely right. You know, Mariano and Magic, their teammates loved playing for them. They could trust them. They delivered in the moment of truth.

Matt: And they both made their teammates better.

Kevin: Yes, they did. And they enjoyed making their teammates better.

Matt: Yeah. I'm sure you feel the same way that I've run several companies. And one of the most rewarding things is looking back on the people who used to work for me and seeing that they went off to do great things and they're creating their own Hall of Fame careers if you will. It is one of the most rewarding parts of being a business leader.

Kevin: Without question. And that's a legacy that stays with you forever.

Matt: Yeah, absolutely. We'll be right back with The Speed of Culture after a few words from our sponsors. So let's go back to your career. So you spent over three decades at Xerox and then decided to make the leap and go somewhere else. Can you talk to us about that decision-making framework? Because I'm sure it was not something that you took lightly back in 2018 to jump to UPS. What was behind that decision and what are your takeaways from that process?

Kevin: Yeah. So at that point, in my last position at Xerox, I was the Chief Commercial Officer of the company. The only position above that was the CEO. And we just hired a new CEO. He and I, to this day, are good friends, Jeff Jacobson. So it was really about, okay, what's next? The options were either to go run my own company or to go to a big company and drive impact. And so this opportunity at UPS came my way. And to me, I just saw it as really attractive. I mean, this is a

company of massive scale, roughly anywhere from \$95 to \$100 billion, depending upon the year. That's what it would be. Over 550,000 employees, 220 countries and territories. And so from a scale standpoint, it was probably 12 to 13x easily what Xerox was. So that was attractive. It had a brand that was very respected from a trust standpoint there as well, really a halo effect we get from our drivers because everybody loves our drivers. It was in an industry that was growing. You know, Xerox at that time, printing was in a secular decline. So the growth piece was appealing to me as well. And then from diversity, equity, and inclusion, they had a diverse organization, diverse senior team, and diverse board. So from a values perspective, it locked in. And then headquartered in a world-class city of Atlanta was a great place to live and work. So it had all those things. And then the final thing I would say is it was also a place where I thought I could make an impact and make a difference. So those things came together. And thank goodness UPS had me. It's been a terrific almost five and a half years since we've been together.

Matt: Yeah. And obviously, it's had a great turnaround in many areas since you joined. I'm going to touch on a couple of those. First and foremost, it's just the brand itself. So when you join in your role as essentially, among other things, head of the UPS brand, how do you look at the importance of the brand and establish those brand equity pillars to continue to make sure you're differentiated in the marketplace?

Kevin: You know, one of the things I found is you can have a great brand, but if you don't continue to feed it, that brand can lose its luster. I don't care how great the brand is. I mean, we just talked about the company that I started with and Xerox was an iconic brand. It was like Kleenex and some of the others where it was a verb. I want to Xerox something. I'm Xeroxing something. And now not as much, you know, my personal email has Xerox in it. I have to spell out what it is because some of the younger people, they're not aware. So even something like a UPS brand, if you don't feed it, it either can become passe, lose its luster, or even be forgotten. So it was really about how we build the momentum of the brand. Because when we talked to the customers and the most profitable customers were the small and medium-sized business customers, we interviewed 800 of them. And we said, okay, tell us what you think about UPS. What's it going to take for you guys to do business with us more? And what they told us was, hey, we trust you. You're reliable. You have integrity, all those sorts of things. But we see you as old and stodgy. So when you start talking about attributes like, is this a company whose best days are ahead of it versus behind it? This is a company that's digital, agile, innovative, and cool. We didn't score where we needed to score there. And you think about e-commerce and the impact that's going to have on the industry. We had to work on that part of the brand. And then the final piece of the equation is, you know, UPS is primarily an operations company. We deliver packages. And so this thing, marketing, you know, this could be discretionary, when you can afford to do something, it can mean just tickets to the game or the golf match, et cetera. So making sure that we could tie a direct line to the money we were spending and the impact on the results was going to be important. So the marketing wouldn't be perceived as a discretionary spend, but rather a value driver for the shareholder. Yeah.

Matt: Yeah. Yeah. And I know that you focus on both small and medium-sized businesses. And there was the mission chair at the time you've joined and it's turned around. And it's interesting because I was thinking and prepping for this interview today, just about what it means to be a small business owner. Because in the past, maybe in the 80s or 70s, it was, you had a bakery, right? You had a dry cleaning shop, whatever it may be. But now the barriers to entry to start a quote-unquote small business are lower because you have platforms like Shopify or Etsy, right? That lets anyone run a small business. And I would imagine, as you mentioned, e-commerce is a huge piece of your growth. So are you seeing changing demographics for what a small business person is?

Kevin: Oh, 100%. 100%. So look, we've got the UPS Store network, the report center marketing and it's a franchise network. So we have 5,200 of these stores in the US. These are entrepreneurs. And oh, by the way, the customers who use the UPS Store are entrepreneurs. And we've taken a look at the demographic shifts. Just over the last 10 years. And we found that these customers who go to our stores, they're demoing younger. They're demoing more gender diverse, ethnic diverse, and then also international as well. I mean, just even over a 10-year period, right? Just drastic changes there. You know, these SMB customers, man, they are fighting the fight. They're into the grit and the grind. You know, they've risked everything for their business as a generational wealth impact as far as their families and their children, whatever. And so, yeah, everything is so important because their life is their life's blood and doing business as opposed to just being an employee of a company. It's a very new dynamic. They're all in 100%.

Matt: And I would imagine, you know, UPS, their shipping, you know, you talk about reliability and trust. It's also saying that it just got to work and has to work in a way that fits their life and should be the last thing they should think about because you want them to spend time thinking about their customers and their business. Not where are my shipments? How do I access tracking or a variety of different ways they interact with you?

Kevin: We have an impact on their customers. So we're not just B2B, we're B2B2C. And so we can be impactful on their customer satisfaction and their competitiveness when we do what we do the right way. And we do that at a high level. But we also have expertise where we can help these small businesses, whether it's in the supply chain, whether, as you mentioned, pivoting the e-commerce and the pandemic was an accelerator there on that and just overall knowledge, business knowledge. We've leaned in that to help these small customers whose products and hustle factor are equal, if not greater than their larger competitors, but they might not have the capital or the cash or the resources or the real estate footprint to compete. So we try to level the playing field by advising them giving them resources and leveraging our connections. So that David can compete and win versus Goliath if you will.

Matt: Yeah, I love that. So some of the investments your company has been making in terms of customer experience around digital technology and social media, I imagine are with the customer in mind. So what are some of those investments that you're leaning into, even heading with Nyon 2024, that your customers need to gain a better experience in working with UPS?

Kevin: So UPS is a 116-year-old company. I told you, I already gave you the stats of how big it is and geographically, you know, so if you're not careful, a customer can get lost in it. And so we're focused on what we call the end-to-end customer experience. Whether they start at ups.com, and then they interact with our operations people or they interact with our UPS Store, which was franchise owned or backward, we need to make sure that from an end-to-end perspective, any sort of friction, or if they're calling our call center and want to get an update as to where the package is, that that experience from end to end is a good experience for that customer. And that's easier said than done. But that means that we need to make sure that our digital experience and our digital game and how we show up on ups.com, how we show up with our digital partners. You mentioned Shopify is one of them. It's consistent with what they're going to get when they go into our UPS Store. So we talk about the digital and the physical. We call that digital. That needs to be integrated in. And so when you go to our website, now you can see where your closest UPS Store is based on where you are geographically. And when you go to the UPS Store, the UPS store is going to know who you are as well. So really focusing on that end-to-end physical and digital experience. So the customer, both the shipper and the recipient has a better experience has been a huge focus for us.

Matt: Yeah, I'm sure. So let's shift gears a little bit because you've spent a good deal of time in the diversity, equity, and inclusion space. And more specifically, you're a founding member of the Black Executive CMO Alliance. Tell us about that experience. And then just zooming out, like how far has the advertising industry come in terms of embracing diversity and what still needs to happen to improve in your opinion?

Kevin: So, you know, Jerri DeVard, who was the founder of BECA, and Jerri's an icon in the brand CMO world. She called me, I guess it was almost three years ago. And she said, Kevin, I'm thinking about this idea. And she asked me a poignant question. Man, she goes, "How many Black CMOs do you know?" I said, "You, and one or two others". And she says, "I think that's an opportunity because we're all having similar challenges, but maybe isolated". And then she asked, "Okay, let's talk about the talent feeder base. And how do we feel about that as far as up-and-coming marketing talent, black and diverse marketing talent who will be the CMOs for tomorrow?" So that was a compelling reason for us to get together. And I want to say, I'll get the number right. It was maybe 32 or 33 of us who were founding CMOs, I think we're up to like 38 or so now, of fantastic marketing powerhouse companies. And I'll tell you, the talent of these, I am awed by the talent of these executives. And we share best practices. We cheer each other on. We pick each other up when invariable business challenges come our way. And then a big part of our focus has been what we call the BECA Playbook, which is the emerging marketing talent and helping nurture and curate the pipeline of talent. So each of us mentors a black marketing professional at another company. We've got a two-year curriculum. The first graduation is going to be this November 30th in New York City. And UPS, I'm proud to say we've put in more people in this academy than any other company, and we'll be sponsoring the graduation process. So it feels good to give back, to be able to network, to be able to share. It's been a fantastic experience.

Matt: Yeah, I love how you're creating a pipeline for the future. I think a lot of these executive forums are just focused on the here and now and the people who are at it today, but it seems like you guys have an eye toward the future. So 20 years from now, when maybe many of you are retired or at different phases of your career, this continues to thrive and grow.

Kevin: Absolutely.

Matt: Yeah, it's amazing. So wrapping up here, you've had an amazing career and you're obviously in the seat that most people, if not all, that enter the marketing world want to be in, right? CMO of a hundred billion dollar company and overseeing a really exciting business. What would you tell 20-year-old Kevin? Right when you were starting, he had to know based on your experience today to maybe facilitate that more efficiently, or maybe other people who are entering other Kevins or from the world, what they need to know.

Kevin: The primary message would be, and this might sound odd because I've been blessed to have some success in my career. It would be to be bolder, to take bigger swings, to bet on yourself, to take those risks. You've got it. You're probably better than you think you are. There are going to be some trade-offs you have to make along the way. You're going to have to move your family, probably to a bunch of different cities, even outside of the country. There's going to be a work ethic, and stress tolerance that you're going to have to be able to withstand, but the victories, I mean, what you can do for your people and your customers and your family are well worth it. So, you know, buckle up, go for it. You've got this.

Matt: That's amazing. I love that. And finally here, Kevin, is there a quote or mantra that you like to live by that comes to mind?

Kevin: So look, you know, one of the things I'm inviting you into the offices of UPS. So I mentioned we're 116 years old and the company was founded by this guy. His name is Jim Casey. It was a small and medium-sized business in Seattle in 1907, you know, with a couple of bikes and a messenger company. And part of what we do as a senior team is our monthly staff meeting. We start that meeting with somebody doing our reading for what we call the legacy books, which are a group of speeches that our founder or other past CEOs have given. And so I did a read and by the way, each ELT will be appointed. Okay, you're going to do the quote or the reading this month and then next month. So I just had the one last week and it was really about Jim Casey at the 40th anniversary of UPS, which was in 1947. And he was giving a speech and he was challenging the team because as great as the expansion had been, it was really on the heels of World War II. And so the performance had dropped off and the standards had dropped off. So he was challenging them to get back, no matter whether it was COVID or whether it just went through a labor negotiation or whether you were in a retail recession. Those are his issues was World War II. And he gave just a fiery speech. And there was one line that I ended the quote on that he said, and he said, basically determined people create the conditions. They are not victims of it. Don't you love that?

Matt: Yes. Especially coming out of COVID where you look at all the companies that thrived and the ones that didn't they created this new reality and they were able to thrive during it versus them being a victim of what happened.

Kevin: A 100%.

Matt: That's fantastic. Well, we're going to leave it with that. It's been such a pleasure getting to know you, Kevin, and your journey. And I can't wait to see what you do next. I want to thank you for joining us today. It was awesome.

Kevin: My pleasure, Matt. Thanks for having me.

Matt: Absolutely. On behalf of Suzy and the Adweek team, thanks again to Kevin Warren, EVP & Chief Marketing and Customer Experience Officer at UPS for joining us today. Be sure to subscribe, rate, and review The Speed of Culture podcast on your favorite podcast platform. Till next time. See you soon, everyone. Take care. The Speed of Culture podcast Podcast is brought to you by Suzy as part of the Adweek Podcast Network and Guest Creator Network. You can listen and subscribe to all of Adweek's podcasts by visiting [adweek.com slash podcasts](https://adweek.com/slash/podcasts). To find out more about Suzy, head to suzy.com. Make sure to search for The Speed of Culture podcast Podcast at Apple Podcasts, Spotify, and Google Podcasts, or anywhere else podcasts are found. Click follow so you don't miss out on any future episodes. On behalf of the team here at Suzy, thanks for listening.