MISSION STATEMENT THEORY AND PRACTICE: A CONTENT ANALYSIS AND NEW DIRECTION

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ABSTRACT

This study provides a theoretical foundation for researchers to examine mission statements from a customer perspective, although historically these statements have been used almost exclusively in a management context. A content analysis of nine mission statements provides direction for researchers to examine statements, and practitioners to create and modify statements, from a customer perspective. This study contributes to the marketing literature by "initiating a new direction for mission statement theory and practice, whereby statements are examined and written in a way to attract and keep customers externally, rather than solely being used internally in strategic planning and to motivate employees/managers." This study marries the mission statement and customer satisfaction literatures, creating a fruitful new area for marketing research and practice. The new approach will hopefully enable mission statements to finally, after thirty years of management research, accomplish their mission as a core part of marketing strategy.

Keywords: Mission statements, strategic planning, marketing strategy, customer satisfaction

INTRODUCTION

The natural role and importance of mission statements have been examined for over three decades in the management literature (Pearce, 1982; Pearce & David, 1987; Powers, 2012). However, mission statements have received much less attention in the marketing literature, despite their perceived importance in marketing strategy (Amato & Amato, 2002; Sashittal & Tankersley, 1997). This void in the marketing literature is surprising given mission statements could be used in formulating and implementing marketing strategy. In this article, we propose mission statement content, research, and practice be realigned from an internal, management focus to an external, marketing focus in order to enhance customer satisfaction (Amato & Amato, 2002; Braun et al., 2012). A new direction for mission statement theory and practice is suggested, whereby statements are examined and written in a manner to attract and keep customers (Amato & Amato, 2002). Specifically, this study offers a theoretical and practical foundation for mission statements to be examined, developed, and written from a customer perspective. A foundation for mission statements to be used to create and nurture an emotional bond with customers is provided. The customer-focused perspective offered herein is new to the mission statement literature, and is vastly different than the typical manager and employee-focused perspective evident in prior research and practice.
The content analysis of real mission statements provided herein yields both research and practical guidelines for firms to create, modify, and use their mission statement to improve customer satisfaction. Toward this end, actual mission statements are critiqued from a customer perspective, and new, exemplary statements are proposed for several firms. It is anticipated that reveal how future raters (researchers) could examine the extent that statements are written from a customer perspective. In total, we anticipate the new, customer-focused, rather than manager/employee-focused, approach to mission statement research and practice will enable these statements to finally fulfill their potential as a core part of marketing strategy (Smith et al., 2001).

This study marries the mission statement and customer satisfaction literatures, creating a fruitful new area for marketing research and practice. The new approach will hopefully enable mission statements to finally, after thirty years of management research, accomplish their mission as a core part of marketing strategy.

**LITERATURE REVIEW**

**Mission Statements in Management**

Current thought on mission statements is based largely on guidelines set forth in the mid-1970s by Peter Drucker (1974, p. 61), who is often called “the father of modern management.” Drucker says asking the question “What is our business?” is synonymous with asking the question “What is our mission?” A mission statement is a declaration of an organization’s “reason for being” and distinguishes one organization from other similar enterprises (Campbell & Yeung, 1991; Pearce, 1982; Pearce & David, 1987).

Various benefits of having a clear mission statement are provided in the management literature (Analoui & Karami, 2002; Atrill, Omran, & Pointon, 2005; Bart & Baetz, 1996; Braun, et. al., 2012). For example, King and Cleland (1979, p. 88) recommend that organizations carefully develop a written mission statement in order to reap the following benefits: 1) make sure all employees and managers understand the firm’s purpose or reason for being; 2) provide a basis for prioritization of key internal and external factors utilized to formulate feasible strategies; 3) provide a basis for the allocation of resources; and 4) provide a basis for organizing work, departments, activities, and segments around a common purpose. Overall, the management literature suggests that carefully prepared mission statements are widely recognized by both practitioners and academicians as the first step in strategic management, such that a clear mission statement is essential for effectively establishing objectives and formulating strategies (Collins & Rukstad, 2008; David, 1989; Powers, 2012).

Mission statements have been examined as a key indicator of organizational performance (Atrill, Omran, & Pointon, 2005; Bart & Baetz, 1998; Desmidt, Prinzie, & Decramer, 2011; Palmer & Short, 2008; Rarick & Vitton, 1995). However, research results are mixed regarding their impact on firm performance (Atrill, Omran, & Pointon, 2005; Collins & Rukstad, 2008; Palmer & Short, 2008). A meta-analysis of 20 years of empirical research on mission statements, concluded “there is a small positive relation between mission statements and measures of financial organizational performance,” but the exact magnitude of the relationship is influenced by operationalization decisions (Desmidt, Prinzie, & Decramer, 2011, p. 468). Overall, the management literature suggests that the relationship between mission statements and
organizational performance is quite weak (Desmidt, Prinzie, & Decramer, 2011). However, extant literature in marketing explains that customer satisfaction has a strong positive relationship with organizational performance (Devasagayarm, Stark, & Valentin, 2013; Lundberg, 1984; Luo, Wieseke, & Homburg, 2012). Indeed, researchers have noted that “managers increasingly tend to see customer satisfaction as a valuable intangible asset and thus as an important corporate target” (Luo, Wieseke, & Homburg, 2012, p. 745). Similarly, Valentin (1996, p. 16) said: “entire business organizations, not just marketing departments, should be customer oriented.” Extant literature suggests that mission statement can and should be used to create an “emotional bond” and “sense of mission” between an organization and its employees (Campbell & Yeung, 1991). Thus, and as discussed next, we infer that customer-centered mission statements, designed from a customer perspective, could positively impact organizational performance by enhancing customer satisfaction (Rarick & Vitton, 1995).

Marketing Considerations

Although examined and researched predominantly in the management literature, mission statements are considered to be important in marketing strategy and planning (Sashittal & Tankersley, 1997; Valentin, 1996). The American Marketing Association (AMA) defines mission statement as “an expression of a company’s history, managerial preferences, environmental concerns, available resources, and distinctive competencies to serve selected publics used to guide a firm’s decision-making and strategic planning.” Largely because mission statements have historically lacked a customer perspective, customers of many firms often do not know whether the firm has a statement (Bart & Baetz, 1996; Bartkus, Glassman, & McAfee, 2000; Collins & Rukstad, 2008); the present paper aims to change this business reality.

All marketing activities involving direct or indirect contact with customers can be enhanced when those endeavors are based on a firm’s basic mission (Amato & Amato, 2002). Since consumer needs and desires are at the core of marketing strategy, the authors of this study anticipate that mission statements written from a customer perspective could help with the implementation of marketing strategy. Effective marketing hinges on a firm communicating its overarching purpose and competitive advantage; mission statements can be helpful in this regard. A clear sense of business mission is arguably the foundation for communication with customers. Mission statements could be an important basis for marketing communication with outside-the-firm constituencies, especially customers (Amato & Amato, 2002; Desmidt, Prinzie, & Decramer, 2011; Sidhu, 2003). For example, a customer-centered mission statement may enable a firm to more effectively engage in advertising, promoting, publicity, selling, and other marketing activities to induce customers to develop an attachment, connection, or bond with the firm (Dagger & David, 2012; Sashittal & Tankersley, 1997).

Managers from various functional areas and levels of the firm should be included in development and modification of a corporate mission statement (Braun et al., 2012). Marketing sales representatives and managers should have input into devising and writing the statement to best assure that marketing goals, such as enhancing customer satisfaction and providing exemplary customer service, are included (Rego, Morgan, & Fornell, 2013). Historically, however, marketers are most often not involved, partly because the statements (and prior related research) lack a customer perspective.

The process by which mission statements are developed and the exact language/wording included in the statement can significantly impact their effectiveness as a tool for strategic
management and marketing strategy (Kemp & Dyer, 2003). Ideally, firms strive to have customers exhibit an emotional bond with the firm’s products/services and be “on a mission” to use and promote those offerings (Rego, Morgan, & Fornell, 2013). For example, many of Avon and L’Oreal’s customers today portray an emotional bond or attachment with the firm. (Proposed mission statements for these two firms are examined later in this paper). As an extension of prior research, we propose that mission statements be developed and used to foster customer satisfaction and create a bond between a firm and its customers. Involving marketers and sales representatives in the mission statement development process, coupled with including the appropriate content, could enable firms to create an emotional bond with customers, and enhance the likelihood that salespersons would be “on a mission” to provide excellent customer service.

Appropriately written, mission statements could reassure constituencies that the firm is customer focused and driven (Devasagayam, Stark, & Valestin, 2013). If written from a customer perspective, mission statements could spur employees, salespersons, and managers to provide exemplary customer service, which arguably would enhance customer loyalty, and translate into customers being “on a mission” to seek out, use, and promote the firm’s products and services (Luo, Wieseke, & Homburg, 2012; Bart & Baetz, 1996). If written from a customer perspective, mission statements perhaps may accomplish their mission (Smith, et. al. 2001), be more than smoke and mirrors (Bartkus, Glassman, & McAfee, 2000), contribute to customer satisfaction (Devasagayam, Stark, & Valestin, 2013), and positively impact organizational performance (Peyrefitte & David, 2006).

Characteristics and Components

Mission statements can and do vary in length, content, format, and specificity (Kemp & Dwyer, 2003; Palmer & Short, 2008; Smith et al., 2001). However, mission statements should be informative, inspiring, enduring, concise, clear, and conducive to both employees and customers forming an emotional bond with the firm. Specifically, prior research suggests that a mission statement is most effective when it is approximately 100 words in length, and when it avoids inclusion of monetary amounts, numbers, percentages, ratios, or objectives (David & David, 2003; Davies & Glaister, 1997; Kemp & Dwyer, 2003).

Most practitioners and academicians of strategic management assert that an effective mission statement should include nine components: 1) customers, 2) products or services, 3) markets, 4) technology, 5) concern for survival, growth, and profitability, 6) philosophy, 7) self-concept, 8) concern for public image, and 9) concern for employees (Baetz & Bart, 1996; O’Gorman & Doran, 1999; Pearce & David, 1987). However, our review of the extant literature reveals that prior research has not examined whether the nine components are written from a customer perspective. No prior findings address the potential positive aspects of customer-oriented statements (McGinnis, 1981; Powers, 2012). Despite this specific void in the literature, we extrapolate from prior research that the nine components, written from a customer perspective, could individually and collectively enable mission statements to be used as a basis for marketing communication with customers (Amato & Amato, 2002; Powers, 2012; Rego, Morgan, & Fornell, 2013). The content of a firm’s mission statement does matter and could represent a competitive advantage or disadvantage for a firm (Peyrefitte & David, 2006; Smith et al., 2001).
A CONTENT ANALYSIS

To exemplify how the literature-derived nine mission statement components could be written from a customer perspective, a mission statement “customer perspective” content analysis for a hypothetical charter boat fishing company is provided in Table 1. For example, the company’s customers are “outdoor enthusiasts.” “Customers” is a key component to include in a mission statement (Pearce & David, 1987; Powers, 2012), but simply including the word “customer” or “consumer,” as recorded in prior research, should not qualify that component to be considered as “written from a customer perspective.” The authors contend the statement needs to identify more precisely the target groups of customers. Examples provided in Table 1 for all nine components are couched from a customer perspective in order to provide guidance for “raters” (researchers) to effectively rate in future research, and writers (practitioners) to effectively write mission statements.

Table 1
Mission Statement Components Defined and Exemplified From A Customer Perspective

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<tbody>
<tr>
<td>1.</td>
<td>Customers—Who are the firm’s customers? Example: Our customers are outdoor enthusiasts seeking fishing excitement and adventure.</td>
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<tr>
<td>2.</td>
<td>Products or services—What are the firm’s major products or services? Example: We provide fast, clean boats, all the bait and tackle needed, and friendly first mates to create memories for a lifetime.</td>
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<tr>
<td>3.</td>
<td>Markets—Geographically, where does the firm compete? Example: Our fleet of fast, clean vessels operate all along the Florida Gulf Coast.</td>
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<tr>
<td>4.</td>
<td>Technology—Is the firm technologically current? Example: Our vessels are equipped with the very latest safety and fish finding equipment to insure that customers comfortably are “catching rather than just fishing.”</td>
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<td>5.</td>
<td>Concern for survival, growth, and profitability—Is the firm committed to growth and financial soundness? Excellent: Our prices are as low as possible to provide customers great value in conjunction with high employee morale and a reasonable return for our owners.</td>
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<td>6.</td>
<td>Philosophy—What are the basic beliefs, values, aspirations, and ethical priorities of the firm? Example: We assure customers the upmost courtesy and care as our motto on every vessel is to follow the Golden Rule.</td>
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<td>7.</td>
<td>Self-concept—What is the firm’s distinctive competence or major competitive advantage? Example: For customer enjoyment and safety, we provide the most experienced staff in the industry.</td>
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<tr>
<td>8.</td>
<td>Concern for public image—Is the firm responsive to social, community, and environmental concerns? Excellent: Our vessels use emission-friendly engines; we strive to bring repeat tourists to all communities where we operate.</td>
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<td>9.</td>
<td>Concern for employees—Are employees a valuable asset of the firm? Example: Our on-the-water and off-the-water employees are “on a mission” to help customers have a great time.</td>
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</table>

Focusing on the “product/service” component, a mission statement should reveal the “intrinsic value” or “utility” that the firm’s products/services provide to customers, and do so in a thoughtful manner. The charter fishing company, for example, provides “memories for a
lifetime.” Similarly, a cosmetics firm, such as Avon and L’Oreal’s, mission statement could say the company sells “beauty” – not simply fragrances and perfumes. We anticipate future empirical research to determine that product/service, and indeed all nine components, when written from a customer perspective, will be positively associated with high customer satisfaction scores.

Another important component among the nine examined in previous research is “self concept,” or “distinctive competence,” whereby the firm reveals the major competitive advantage that its products/services provide to customers (Pearce & David, 1987; Powers, 2012). For the hypothetical charter company, “self-concept” is written from a customer perspective, we suggest as an example, by the phrase: “for customer enjoyment and safety, we provide the most experienced staff in the industry.”

**A Critique of Existing Statements**

To provide further guidance for researchers rating and practitioners writing mission statements, we collected, read, and analyzed four mission statements randomly selected from a list of Fortune 500 companies. The sample included statements from Fleetwood Enterprises, PepsiCo, Royal Caribbean, and Dell, as given in Table 2, along with our component-by-component content analysis of the statements. In performing this analysis, three researchers jointly read, discussed, and decided for each sample statement what components were present and written from a customer perspective. We used the definitions and examples provided in Table 1, coupled with guidelines used in prior studies (Kemp & Dyer, 2003, Pearce & David, 1987; Powers, 2012), as the guide for our content analysis reported in Table 2 - even though no prior studies specifically used a customer perspective approach for examining mission statement content.

In Table 2, Dell’s statement was deemed best among the sample because it includes seven of the nine components, and does so in only 56 words. The Royal Caribbean statement lacks inclusion of six of the nine components, comprises 86 words total, and lacks a customer perspective. The Fleetwood, Royal Caribbean, and Dell statements merely include the word customer or customers; we deemed that insufficient for adequate “inclusion of the customer component written from a customer perspective.” Rather, in assessing or devising the “customer” component, we required, and suggest for future writers, that the statement reveal the core group(s) of customers targeted in the firm’s marketing efforts. For example, for banks, the target groups may be residential customers, large corporations, small businesses, and not-for-profit/governmental organizations – rather than a bank mission statement simply saying “we have customers.”
Table 2
Four Actual Mission Statements Critiqued

<table>
<thead>
<tr>
<th>Company</th>
<th>Mission Statement</th>
<th>Critical Comments</th>
<th>Improved Mission Statement</th>
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<tbody>
<tr>
<td>Fleetwood Enterprises</td>
<td>Fleetwood Enterprises will lead the recreational vehicle and manufactured housing industries (2) in providing quality products, with a passion for customer-driven innovation (7). We will emphasize training, embrace diversity and provide growth opportunities for our associates and our dealers (9). We will lead our industries in the application of appropriate technologies (4). We will operate at the highest levels of ethics and compliance with a focus on exemplary corporate governance (6). We will deliver value to our shareholders, positive operating results and industry-leading earnings (5). <em>(Author comment: Statement lacks three components: Customers (1), Markets (3) and Concern for Public Image (8); 80 words)</em></td>
<td><strong>PepsiCo -</strong> We aspire to make PepsiCo the world’s (3) premier consumer products company, focused on convenient foods and beverages (2). We seek to produce healthy financial rewards for investors (5) as we provide opportunities for growth and enrichment to our employees, (9) our business partners and the communities (8) in which we operate. And in everything we do, we strive to act with honesty, openness, fairness and integrity (6). <em>(Author comment: Statement lacks three components: Customers (1), Technology (4), and Self-Concept (7); 62 words)</em></td>
<td><strong>Dell, Inc. -</strong> Dell’s mission is to be the most successful computer company (2) in the world (3) at delivering the best customer experience in markets we serve. In doing so, Dell will meet customer expectations of highest quality; leading technology (4); competitive pricing; individual and company accountability (6); best-in-class service and support (7); flexible customization capability (7); superior corporate citizenship (8); financial stability (5). <em>(Author comment: Statement lacks two components: Customers (1), Concern for Employees (9); 56 words)</em></td>
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Source: Mission statements found at the various corporate websites.

**Actual Mission Statements Improved**

To provide some exemplary statements, three researchers randomly selected five companies from a list of 100 manufacturing and service firms, located the firms’ actual mission statement, and together rewrote the statements from a customer perspective. The statements, rewritten from a customer perspective, are presented in Table 3. We used the guidelines from prior research, coupled with our proposed customer-perspective approach. The improved statements include all nine components written from a customer perspective, and additionally, are inspiring, concise, and comprise fewer than 90 words each. Regarding the “customer” component, the new Best Buy statement refers to “individuals and businesses;” the new Lowes
statement refers to “homebuilders and homeowners;” the improved Crocs statement refers to “men, women, and children.” In contrast, the Crocs, Best Buy, Rite Aid, and Lowes actual statements merely include (or not) the word customer or consumer.

Table 3

<table>
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<tr>
<th>Five Mission Statements Revised to Exhibit Nine Customer Perspective Components</th>
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<tbody>
<tr>
<td><strong>Rite Aid</strong> - We are on a mission to offer the best possible drugstore experience for people of all ages (1) around the United States (3). We have a state-of-the-art information system (4) that provides our pharmacists (9) with warnings of any possible drug interactions to help better ensure customer safety (8). We are determined to improve our customers’ overall health through our wellness programs (5). We offer an extensive line of other beauty, food, drink, cosmetic, and vitamin products through our alliance with GNC (2). We believe in treating our customers like family (6) and strive to maintain our reputation as the most personable drugstore (7). (88 words total)</td>
</tr>
<tr>
<td><strong>Best Buy</strong> - We are committed to providing individuals and businesses (1) the latest high-tech products (2) at the lowest prices of any retail store (7). Serving North America, China and other markets (3), all Best Buy employees (9) are exceptionally knowledgeable about the products we offer. We believe good ethics is good business (6) and use business analytics (4) to better understand customer trends. We strive to make a profit for our shareholders (5) and be a good community citizen everywhere we operate (8). (72 words)</td>
</tr>
<tr>
<td><strong>Lowes</strong> - We are committed to exceeding the expectations of our homebuilder, homeowner, and other customers (1). We offer superior home improvement products (2) and expert advice (7) at nearly 2,000 Lowe’s stores in the USA, Canada, and Mexico (3). We have a best-in-class electronic in-store tracking system (4) to help customers. We continue to create jobs (8) in all communities where we operate. Up to 80 percent of our employees work on a full-time basis (9) and have high ethical standards (6). We put the customer first as we strive to grow profitably for our shareholders (8). (88 words)</td>
</tr>
<tr>
<td><strong>United Parcel Service (UPS)</strong> - We strive to be the most timely and dependable parcel and freight forwarding delivery service (2) in the world (3). By implementing the latest tracking technology (4), we are able to profitably grow (5) by offering individuals and businesses (1) dependable and accurate delivery times (7). We promote from within to improve morale among all employees (9). Our philosophy (6) is to responsibly balance the needs of our customers, employees, shareholders, and communities (8) in an exemplary manner. (68 words)</td>
</tr>
<tr>
<td><strong>Crocs, Inc.</strong> - Crocs is committed to providing profound comfort, fun and innovation in all the shoe models (2) we produce. Through our Croslite technology (4) (7), we are able to provide men, women, and children (1) dependable and lasting comfort all day. We strive to expand our brand throughout the world (3) and are able to save on costs (5), while protecting the environment (8) with our package-less shoes. We adhere to the belief that good ethics is good business (6) in all that we do as we strive to take care of our employees and shareholders. (85 words)</td>
</tr>
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</table>
In developing the improved mission statements in Table 3, our goal was to exemplify how the nine components could be stated to potentially enhance customer satisfaction, especially if communicated to customers by marketers and backed by company commitment to, and implementation of the mission message (Devasagayam, Stark, & Valestín, 2013; Luo, Wieseke, & Homburg, 2012; Rego, Morgan, & Fornell, 2013). The Crocs (footwear company) proposed statement, for example, talks about “dependable and lasting comfort all day” and the UPS proposed statement talks about “the most timely, dependable, and accurate delivery times in the world.”

**MANAGERIAL IMPLICATIONS**

The essence of marketing planning is to change the marketing mix in a manner that allows the firm to continually adapt to changing consumer preferences and competitive conditions (Rego, Morgan, & Fornell, 2013). Mission statements can be helpful in this endeavor. Customers of too few firms are “on a mission” to use and promote products/services consistent with their “emotional bond” with the firm (Amato & Amato, 2002; Campbell & Yeung, 1991; Sidhu, 2003). A mission statement, written from a customer perspective, could potentially help create or reinforce this bond, compared to the existing practice of writing statements that include (or not) nine components with no consideration for a customer perspective.

**Two Exemplary Statements Created**

In the cosmetics industry, Avon and L’Oreal are two major rival firms that have uniquely different competitive advantages. As indicated in the two proposed, exemplary mission statements in Table 4, Avon utilizes door-to-door sales representatives to gain competitive advantage, whereas L’Oreal markets products in thousands of retail outlets. The proposed Avon and L’Oreal statements have the characteristics described above, include the nine components, and are written from a customer perspective. We offer the two statements as exemplary examples of the new customer perspective direction we propose for mission statement researchers and marketing strategy.

**Table 4**

<table>
<thead>
<tr>
<th>Proposed Mission Statements for Avon and L’Oreal</th>
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<tr>
<td><strong>Avon</strong> - To provide women (1) quality fragrances, cosmetics, and jewelry (2) at reasonable prices backed by outstanding customer service provided by our thousands of door-to-door sales representatives (7, 9) operating globally (3). We use the latest technology (4) to profitably develop and market products desired by women all over the world (5). Avon representatives put integrity first (6) in setting a good example in every community (8) they operate - as they sell beauty. <em>(58 words)</em></td>
</tr>
<tr>
<td><strong>L’Oreal</strong> - Our mission is to design, produce, and distribute the world’s best fragrances, perfumes, and personal care products (2) to women, men, and children (1) by utilizing the latest technological improvements (4). We empower our highly creative team of researchers to develop safe, eco-friendly (7) products that will enable our firm to profitably grow (5) through thousands of retail outlets. We strive to be one of the most socially responsible (8) firms on the planet (3) and appreciate our employees (9) making that happen, while following the “golden rule” in all that we do (6). <em>(85 words)</em></td>
</tr>
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</table>
In Table 4, the proposed Avon mission statement includes the nine components in 58 words, and, we suggest, provides a basis for an emotional bond to be established between the firm and its customers. For example, the Avon statement reveals that if you purchase Avon products, you will be rewarded with “outstanding customer service” provided by a personal sales representative who adheres to the highest ethical standards, while providing fragrances, cosmetics, and jewelry that exhibit the highest technological advancements. There is quite a lot in that brief statement that an Avon customer can become loyal to, especially when the Avon marketing representative reinforces the statement with her actions. Synergy among the nine components is excellent in the Avon statement. Similarly, written from a customer perspective, the proposed L’Oreal mission statement also provides a basis for an emotional bond to be formed between the firm and its customers. Potential customers are reassured in the statement that the company’s fragrances, perfumes, and personal care products are “organic” and developed by excellent teams of researchers. In addition, the statement reveals that the company does great philanthropy work and follows the “golden rule” in all endeavors. Customers may become more dedicated to L’Oreal when they see the company’s marketing communications reinforce the basic content given in the proposed mission statement. Loyal customers are a competitive advantage for any firm.

Gaining Competitive Advantages

Developing and communicating an effective mission statement could aid a firm in gaining and maintaining competitive advantages (O’Gorman & Doran, 1999; Rarick & Vitton, 1995). Businesses succeed by attracting and keeping customers, and they do this by providing better value for customers than rival firms (Valetin, 1996). Marketers continually assess customers’ changing needs and wants and make appropriate adjustments in the design and delivery of products and services to sustain competitive advantage (Devasagayam, Stark, & Valetin, 2013).

Mission statements are not just words that look nice framed or engraved, but theoretically, and we propose practically as well, should provide a basis for marketing strategy and action (Collins & Rukstad, 2008). A mission statement should reveal the reason a business opens its doors everyday, the reason salespersons sell, and the reason customers buy. The statement ideally is the passion behind the company, the foundation for employee morale, and the basis for customer loyalty (Amato & Amato, 2002). Written from a customer perspective as described, and included in both oral and written communication with customers, the statement could attract and comfort customers and thus enable marketers to help the firm gain and sustain its competitive advantage (Desmidt, Prinzie, & Decramer, 2011).

DIRECTION FOR FUTURE RESEARCH

The authors develop and present propositions for future research to investigate the correlation and association of customer-focused mission statements with a key consumer outcome variable, namely customer satisfaction. The authors surmise from the extant mission statement literature going back many years that mission statements could provide a reasonable and potentially fruitful approach to enhance customer satisfaction (Devasagayam, Stark, & Valetin, 2013; Jyoti & Sharma, 2012; Lou, Wieseke, & Homburg, 2012; Valentin, 1996). Specifically, we posit that a mission statement, inclusive of the nine components written from a
customer perspective, will be positively associated with customer satisfaction. Such a statement may help mobilize sales representatives to provide exemplary customer service, and be used in advertisements and promotion literature to reassure customers of the firm’s commitment to them. Thus, the authors call for future research to empirically examine the potentially important and significant association between customer-centered mission statements components and customer satisfaction.

Variables

Regarding the dependent variable, we suggest future researchers consider using the reputable American Customer Satisfaction Index (ACSI) that has provided customer satisfaction benchmarks since the Index’s launch in 1994 (www.theacsi.org). Specifically, customer satisfaction benchmarks are released annually for over 230 large companies in 43 industries and more than 100 federal and local government services. Future research could use data from ACSI to identify high versus low customer satisfaction firms across various industries. A random sampling of firms from the ACSI website that have mission statements should be selected. Then, a comparative analysis of mission statements from the top customer satisfaction firm in a random sample of fifty industries could be compared with mission statements from the bottom customer satisfaction firm in those same fifty industries. Additionally, future researchers could perform a comparative analysis of mission statements from the top fifty customer satisfaction firms versus statements from the bottom fifty customer-satisfaction firms included in the ACSI Index. Analogous comparative analyses could be performed for federal and local governmental services organizations since those customer satisfaction scores are also available at the ACSI website.

To operationalize the independent variables (i.e., the nine components written from a customer perspective), we suggest researchers consider coding the nine components using a 1 to 3 scale, where 1 = the component is not included, 2 = the component is present but not written from a customer perspective, and 3 = the component is present and is written from a customer perspective. Researchers could use the content analysis provided in this article as a guide for their ratings; this should enhance inter-rater reliability scores.

Statements could additionally be given a “Composite Score” to indicate the overall extent components exhibit a customer-perspective. On a 9 to 27 scale, with 9 being bad (all nine components score a 1) and 27 being superior (all nine components receive a 3), the “Composite Score” for each statement could reveal the statements’ overall inclusion of the nine components written from a customer perspective. A correlation matrix and multiple regression equation for example could reveal the strength of the association between mission statement content (components) and ACSI scores. Both individual component and synergistic (Composite Score) effects would be interesting to examine in this manner to ultimately enhance marketing strategy and practice.

Propositions

Mission statements obtained from firms with high customer satisfaction (ACSI) scores, would, we anticipate, more often include the nine components written from a customer perspective, compared with statements obtained from firms with low ACSI scores. Certain of the nine components, such as “customers” and “self-concept,” could be expected, based on prior research, to be more important than other components in contributing to higher customer
satisfaction. Thus, the following propositions (P1 to P6) should be examined in future research:

P1: Firms with high customer satisfaction (ACSI) scores will have high “composite score” mission statements.
P2: Firms with low customer satisfaction (ACSI) scores will have low “composite score” mission statements.
P3: Governmental organizations with high customer satisfaction (ACSI) scores will have high “composite score” mission statements.
P4: Governmental organizations with low customer satisfaction (ACSI) scores will have low “composite score” mission statements.
P5: The “customer” component is most highly associated, among the nine independent variables, with company customer satisfaction (ACSI) scores.
P6: The “self-concept” component is second-most highly associated, among the nine independent variables, with company customer satisfaction (ACSI) scores.

Additionally, future empirical research could examine propositions relating mission statement characteristics (# of words, readability, specificity, etc.) with ACSI customer satisfaction scores. In this regard, the following propositions (P7 to P8) should be examined:

P7: Mission statements comprising less than 100 words are positively associated with higher ACSI scores.
P8: Mission statements that avoid specificity ($’s, #’s, %’s, ratios, objectives, goals) are positively associated with higher ACSI scores.

Also of importance in future research is the need to further examine the process by which mission statements are developed, especially to assess the role and benefits of including marketing managers in that process (Analoui & Karami, 2002; Bart & Baetz, 1996; Campbell & Yeung, 1991). Sashittal and Tankersley (1997, p. 77) concluded: “promoting closer interactions between market planners and implementers improves the likelihood of strategic marketing success.” Thus, the following proposition (P9), however, could be examined:

P9: Higher involvement of marketing managers in the mission statement development process is positively associated with higher ACSI scores.”

A variety of other propositions could be examined in future empirical research. For example, based on ACSI scores and mission statements from those firms, researchers could explore differences between manufacturing versus service firms, and differences between large versus small firms, and differences between consumer products versus industrial products firms. Also, propositions related to the importance of mission statements to customers across various types of business, as well as the helpfulness of mission statements for marketers in gaining customer loyalty across industries, could yield valuable information for both researchers and practitioners (Davies & Glaister, 1997; Kemp & Dwyer, 2003; van Dijk, Desmidt, & Buelens, 2007). To the extent that propositions in this article are supported, mission statements may become increasingly helpful for firms striving to gain competitive advantage through enhanced customer satisfaction.

The theoretical foundation provided and research agenda proposed here represents a new
direction. We propose that empirical studies examine the nature and role of mission statement content in relation to customer satisfaction scores, across industries - perhaps controlling for industry, size of firm, and/or type of business, to gain a better understanding of how these statements can best be written and used to enhance customer satisfaction.

CONCLUSION

Developing and communicating a clear business mission is arguably important in both strategic planning and marketing strategy (Collins & Rukstad, 2008). Without an effective mission statement, a firm’s short-term actions may be counterproductive to long-term interests. As a first step in strategic planning, a mission statement provides direction for all subsequent activities, including communication with perhaps the most important constituency, customers.

The authors anticipate that future empirical research will confirm that mission statements do matter, and are best when they include nine components written from a customer perspective. Marketers pursue projects and make expenditures and decisions everyday mindful of the firm’s basic mission and resources. Written from a customer perspective, mission statements may enable marketers to better gain, sustain, and grow the firm’s customer base. The theoretical foundation and content analysis provided in this article could guide for researchers and practitioners going forward.

The authors anticipate that future research will determine that customer-centered mission statements are positively associated with measures of customer satisfaction. Such a finding could significantly alter, for the better, how mission statements are used, perceived, and examined in both management and marketing. We anticipate the new direction offered may shift mission statement research and practice from an internal employee/manager focus, to an external customer/marketer focus, thus enabling the statements to “accomplish their mission” for the betterment of business.

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