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ECO/GTK

Taking the helm of a well-known consumer company is the pinnacle of an executive's career, but the current environment has left new leaders at companies like Nike, Starbucks and Peloton little time to celebrate.

Settling into the CEO role is always demanding; there are first-time jitters and outsize tasks. But those who took the role in the past year have also had to deal with shifting policies around tariffs and a potential downturn in consumer spending.

Brian Niccol hit the one-year mark at Starbucks last month and is trying to improve the experience of the coffee chain's customers and workers. But he's also dealing with higher coffee prices that follow double-digit tariffs on Brazil, a key source of coffee beans around the world.

Nike's Elliott Hill hit his first anniversary in mid-October in a role that entails bringing the sneaker brand back from a yearlong sales decline and getting more people pumped about it in a crowded footwear market. Yet he's forced to devote resources and time to reappraising Nike's supply chains in countries like Vietnam and China that are being hard hit by tariffs.

New leaders at REI, Peloton, Michael's and David's Bridal may relate.

"I joke that I've gotten the full CEO experience in my first nine months — just a few years ahead of schedule," said Peter Stern of Peloton, who started in January. In addition to leading the company's turnaround — sales have fallen more than a third after a boom during the pandemic — Stern must determine how to price its products, made in places like Taiwan, China and Thailand, where President Donald Trump has placed tariffs.

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At the same time, every company is trying to grow even as consumers shift their spending habits and become increasingly pessimistic about the economy.

"What's been so challenging is just the uncertainty, the volatility and things changing all the time," said Mary Beth Laughton, CEO of REI, referring to tariffs. She started at REI in February, a couple of days after Trump signed an executive order that imposed tariffs on China, Mexico and Canada. "The hardest part of our job right now is trying to anticipate, when things are changing so much."

CEOs must know how to simultaneously satisfy the needs of their boards of directors, employees and customers. And they are well compensated for this, earning more than $1 million in base salary, along with bonuses and stock options valued in the millions. Those taking the top job for the first time must address new problems for which there's often no playbook, and do it while fixing the ones that led the company to find a new leader in the first place.

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Kelly Cook, who started as CEO at David's Bridal in April, acknowledged that she had stepped into the role when geopolitical and economic forces were "reshaping retail." But, she said, it's "exactly the kind of challenge I love."

Consultants say CEOs usually have about 90 days to six months to learn the company, identify its biggest problems and publicly lay out their vision.

Oftentimes, executives go on "listening tours," where they meet with employees and customers, to shape their vision for improving the company or revamping their senior leadership team. They could decide to introduce new products, identify new revenue streams or end initiatives by the previous leadership, which could result in closing stores and laying off workers.

Starbucks, for instance, said that it would close underperforming stores in North America and lay off about 900 corporate employees, in addition to the 1,100 jobs that the company cut earlier this year.

Despite the additional challenges, new CEOs aren't graded on a curve.

"You only get one first year," said Daniel Heaf, who became CEO of Bath & Body Works in May. The former Nike executive recounted the advice he received while going through the interview process. "What you do in those first 12 months — whether you realize it or not — defines your trajectory as a leader." ← Note

That may be why turnover is high in the consumer sector: It accounted for a quarter of all CEO turnover across corporate America, according to a recent report by Crist|Kolder Associates, an executive search firm. The average tenure of a CEO in consumer businesses was 5.9 years, down slightly from last year. That's among the shortest in American business. At tech firms,

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for instance, the average was 10 years. In financial services, it was 8.7 years. "You don't get grace," said Christine Greybe, president of leadership consulting at DHR Global, which helps consumer brands identify new leaders. "There's a very short honeymoon period."

This year, Target and Procter & Gamble named new CEOs; when they start, they too will have to contend with outsize issues while trying to please customers and shareholders.

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"A clear sense of focus will be critical to navigate the landscape and not get distracted," Michael Fiddelke, who will take over as CEO of Target in February, said in an emailed statement.