

Why Marketing Matters

by Chris Karcher

There is no object or activity that cannot be duplicated and nothing is exempt from obsolescence. It is inevitable that what an entity does, and how it does whatever that may be, will change over time. A business identifying too closely with a product – or an activity – risks failure when that thing or activity ceases to be relevant to consumers. So, creating and growing a brand independent of any single product or service through effective marketing is a necessity for every organization. In fact, marketing might be the primary business of every business.

Call it marketing, advertising, communications, branding, imaging, public relations or any myriad of other words and “it” still means achieving the same result; creating a public perception that an entity possess both a purpose and a personality. Done thoughtfully, consistently and over time these marketing-centric activities can provide a durable means of generating opportunities for the profitable growth of a business and its brand. Expressed concisely, marketing creates awareness of, and sustains interest in, the activities of your business.

Marketing is primarily an investment and should be treated like one. This means monitoring, analyzing and integrating information about consumers, markets and competitors in ways that enhance intelligent decision-making about the products and activities that comprise the essence of an organization. This creates a process for evolution – of changing as circumstances dictate – so that an entity’s brand can remain relevant over time, regardless of changes to what it does, makes or sells.

But, the cost involved...

Yes, the tactical aspect of pricing goods and services is important for any business, yet it is no more

important, and arguably less so, than the on-going and strategic communication of those elements that make an organization unique. The ability to justify pricing comes from the space between what a business can offer and what its competitors offers. This idea stands whether the difference – the space between one and the other – is real or merely perceived. Though the issues surrounding pricing have been discussed fully in other places, the general conclusion still bears repeating; competing solely on price is a race to the bottom that can lead to the end of an enterprise.

Everything from product development, to manufacturing techniques, to order fulfillment, to consumer interfaces can be presented in ways to make a business stand apart from competitors. There are products, programs and services surrounding every operational activity that can provide a rich fuel to power marketing efforts and nurture a sustainable brand. Even with commodity-like products and services, intelligent marketing can provide justifications acceptable to consumers for premium pricing. If your business offers nothing truly unique, either in what it does or how it operates, it cannot endure. Nor should it.

Therefore the activities that define your business, as well as its processes, must be clearly defined as benefits to a consumer. These benefits properly prepared for public consumption exhibit proof that the business offers something unique among its peers and competitors. This, in turn, provides consumers with something more than just a product or service. Just be clear, concise and factual when describing these attributes and avoid exaggerated or grandiose claims. Rarely does a business activity actually change people’s lives, and most consumers are aware of this fact. It pays to be honest about what your business can truly offer.

Marketing, Selling, etc...

Neglecting to include ways in which a sales force can execute on the marketing strategy diminishes opportunities. Including plans to integrate marketing messages within your company's selling processes increases the likelihood of success for both efforts. Marketing activities should be considered from the sales force's perspective, just as they are from the consumer's vantage point. However, while sales and marketing are symbiotic, they must not be regarded as the same thing; each requires a distinct approach to be successful.

The difference between marketing and selling can be described in this way: Marketing is the strategic intent, creating the possibility of a transaction – It is long-term and focused on educating the consumer to have a preference. Selling is the tactical intent, the completion of a transaction – It is short-term and focused on motivating the consumer to take action. Or, expressed more callously, marketing addresses the needs of the consumer while selling addresses the needs of your business.

Ultimately, every member of an organization is responsible for creating a positive experience – even in the face of adversity – before, during and after every consumer interaction. Ensuring that all employees have the knowledge, tools and support necessary to efficiently perform their job is critical. Shortcomings in any of these areas must be acknowledged and addressed. There must never be any confusion about what your company does versus what it could be doing, or worse still, what it thinks it is doing but isn't. This can be achieved by recognizing that the members of your organization need to be told the same things you tell consumers, and just as frequently.

Those responsible for the marketing activities should also take ownership of communicating with

consumers. By systematically providing consumer interfaces – ways for consumers and employees to talk with each other – any bifurcation between what is actually happening and what should be occurring can be analyzed and addressed. The ability to minimize miscommunications that lead to conflict, and when necessary, to provide a means for resolving any conflicts belongs in the marketing bucket.

It's all in the numbers, maybe...

The art and science of quantifying may be embedded in the DNA of marketing, yet an over reliance on metrics is as self-defeating as ignoring measurements. At one end of this continuum, market share is defined by mathematical rules and represents the most precise type of measurements within the marketing universe.

Yet at the other end of this spectrum are things like consumer satisfaction: difficult to define unambiguously and notoriously malleable due to human behavior. A consumer can appear irrational because the decision process is a complex jumble of internal and external influences resulting in actions that can never be fully explained. What consumers can recall of their motivations for choosing to interact with an entity will never be more than fragments of the information that shaped their decision. Despite claims to the contrary, some measurements will always be difficult, if not impossible, to quantify.

Though indispensable, measurements can also obstruct good judgment. Analyzing information out of context renders it worthless. Using inappropriate benchmarks is equally wasteful. Too many measures can prevent arrival at meaningful conclusions. Too little focus on in-progress measures allows for unintended outcomes. Too much focus on final results lead to second-guessing the past instead of creating a future.

Err on the side of caution when forced to make judgments based on short-term results or limited data sets. This means having the discipline to resist pressures to change a well-functioning plan. It helps to be aware of the difference between a fad and a trend – things that come and go quickly versus those things that endure over time. Avoid the “return on investment” trap by parrying with a request of the ROI numbers for accounting services and human resource support.

An overview of marketing metrics might be summarized in the following way: All marketing activities need to be quantified as well as is possible with an understanding that nothing can be measured by itself, but only in relation to other things. Good marketing will include data analysis of well-defined information, including that which may even appear peripheral to the activities at hand. Many years ago Peter Drucker identified the dangerous tendency of businesses to rely predominantly on internal measurements.

Who to talk to...

Aim to reach the largest audience of potential consumers at the most efficient cost by packaging the same information in a variety of ways, making it palatable to different tastes. This further allows for communication that can be delivered to current, previous and potential consumers through the channels most appropriate for each audience. With both traditional media and the newest interactive opportunities vying for the media budget, an ability to adapt communications to fit different channels, as well as different audiences, is critical. Only by being able to keep the messaging consistent across all channels – regardless of its outward appearance – can the sometimes-risky experimentation required to outmaneuver competitors in selecting where and how to communicate with consumers be safely leveraged.

No budget allows for everything, nor should it. A thoughtful and targeted (this means limited) selection of appropriate media will cost less and be easier to manage, as well as more effective, than attempting to do a little bit of everything. Despite predictions to the contrary, radio was not replaced by moving pictures, movies have not been replaced by television and the world has yet to go paperless. Ways in which media can be consumed will continue to evolve, as will the opportunities available when looking to engage consumers through existing – and yet to be dreamt of – media and content distribution methods.

Strive also to be inclusive, rather than exclusive, in selecting where information will be distributed. You ignore the benefits of shared experiences among consumers at the brand's peril. Many of the events that draw the largest audiences are shared experiences that offer the added bonus of a limited shelf life. As consumption of on-demand entertainment grows, so too will the value of shared and time-sensitive content for reaching an increasingly distracted consumer.

Making it happen...

This rapidly changing landscape in which a company's brand must operate dictate the need to rethink the business of marketing. The economic realities of paying for marketing services are also shifting. Straight commissions and hourly billing are, in increasing instances, not in the best interest of either the client or the vendor. With the knowledge and tools required for implementing marketing plans no longer resident predominantly within advertising-specific companies, any exclusive client/agency relationship should be considered carefully. Relying on the resources of a single entity no longer guarantees the best option for successful execution of a marketing plan. While operating outside of



traditional models does require more effort, it offers greater value, although it does limit opportunities to redirect blame for failures.

Remain suspicious of any suggestions that increased spending can salvage advertising and marketing efforts that are not working. Avoid overspending to compensate for a poorly, or more likely, hastily designed and executed marketing strategy. Copying competitors only serves to weaken your position: Imitation is generally an acknowledgement that someone else has the better, or more original, ideas.

Those responsible for the company's brand must become integrators possessing a sophisticated network of on-demand professional relationships. This requires working as a recruiter of talent for each activity, as well as serving as a coach capable of motivating the players, all the while making sure each team is working toward the same goal. Care should be exercised to identify expertise and not just competence by choosing specialists having knowledge-sets with demonstrable track records. Coordination will become more difficult as the players will often be found across a variety of professional environments. Yes, this will inevitably

lead to circumstances when collaboration is necessary but uncomfortable.

While a reliance on best-of-class providers is essential, and most likely to be found outside of your organization, the ownership of a brand cannot be successfully outsourced. At the risk of being redundant – or even worse, nagging – marketing must become a core function of every entity. If it is not embraced and championed at the highest levels, a business cannot thrive and endure.

A last thought...

Operating in the current marketing environment where established ways and ideas are being obsolesced before new options become clearly defined is daunting. Add in the layers of complexity created by the fickle nature of consumer behavior, along with the accelerating velocity of information, and the challenges faced by those responsible for nurturing an entity's brand can appear overwhelming. Yet we see marketing successes everyday, all around us, offering both inspiration and guidance. Just remember, nobody ever said "it" was going to be easy.