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TOPIC: “The 7-Deadly Marketing Sins (and The Solutions)”

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There are hundreds of mistakes a marketer can make. Therefore it's important to highlight the seven most destructive pitfalls.

Interestingly, an eagle has hundreds of feathers, but if you pluck the 7-primary feathers from its wings, then the eagle would not be able to fly. Likewise, in a hypercompetitive world, if your company is committing any of the 7-deadly marketing sins, it too will not takeoff. South African billionaire, Dr. Anton Rupert, cautioned, “It takes 10 years to become a financial expert, but an entire lifetime to become a brand expert, then you retire and the expertise is lost.” He was absolutely right; marketing is such a broad discipline is really does take many years to understand all its facets.

Triangulating the most comprehensive marketing leadership study ever undertaken¹, neuroscience and 20-years of marketing experience, Ian Rheeder has cited the following marketing sins and their solutions.

Sin #1: Marketing Leadership

“Woe to the company whose marketing is still siloed.” -- M. De Swaan Arons²

The principal sin is the lack of marketing leadership across the entire company. Over the past 20-years, marketing has become the most important function in an organisation, making marketing far too important to be left to just the marketing department. Aligned to this opinion are Philip Kotler's *Ten Deadly Marketing Sins*³, where all his sins are *company-wide* issues.

Solution: Connecting marketing to the overall business strategy, the chief marketing officer (CMO) needs to know how to lead *across every department*. All departments must be motivated to cross-functionally align their activities to achieve the overarching marketing strategy. All staff must know the key strategic objectives, and link their incentives back to their key performance areas.

The three key leadership elements are *trust, engagement* and *collaborative actions* across all functions. A strong relationship with the chief information officer (CIO) and chief human capital officer (CHCO) cannot be overemphasised. Because of this, companies like Visa and Unilever have HR and IT report directly to the CMO. A four-year study by Accenture (2014) concluded, "The debate is no longer about whether chief marketing officers (CMOs) and chief information officers (CIOs) should align. It is how."

Service marketing is quite simple – happy service people generate happy customers – happy customers then re-infect the original service provider with this positive social psychology. Neuroscience has exposed that people are much more emotional than logical. Therefore marketing must not set strategically *meaningless* quantitative (numeric) objectives, which in effect will *not* evoke emotional responses in people. Humans are emotional creatures who buy-in to feelings and vivid images -- not rational numbers like "15% growth". Marketing leaders need to take responsibility and 'sell' to their entire company in exciting and strategically-meaningful visionary objective; first in symbols or meaningful words. For example, Adidas' overarching marketing objective was, "*Lets hurt Nike*", driving a previously wrecked Adidas to post more profit than Nike! "*Let's hurt Nike*" is enormously *strategic* and *emotionally engaging*. Stakeholders became emotionally *engaged* at work because they knew what to do... design, produce, market and sell shoes to hurt a specific competitor. Compare this to: "*Let's grow at 10% this year.*" Or equally apathetic, "*The President thinks we can do 15% growth next year*".

Sin #2: Research & Environmental Scanning

"Results are gained by exploiting opportunities, not by solving problems." -- Peter Drucker

One definition of marketing is, find out what the customer wants (research) and then give it to them at a fair profit (i.e. value-exchange). Companies however sit on a goldmine of accumulated big-data, which has not been carefully analysed.

Solution: Examining your data wisely is a great way to research *what* customers value and *why*; their needs and wants. A great exercise is to list the top-10 key buying factors (KBFs), then rate them versus your nearest three competitors.

Environmental scanning: All strategic marketing plans need to be written in *factual* context. The 4Cs of marketing (the micro environment) and PESTGEL (the macro environment) need to be continually researched. Your company, customers, channel-to-market and competitors (4Cs) are continually in flux, which means you need to keep a finger on the pulse -- weekly. Most major threats and opportunities emerge out of the macro economic environment, or PESTGEL factors. Political, economic, socio-cultural, technological, global, economic and legal factors all need to be tracked.

Sin #3: Purposeful Positioning Using All Three Pillars of Brand Positioning

Neuroscience has proven that the rational human being does not exist. In fact, our pre-frontal cortex -- or consciously thinking human brain -- weighs in at only 4% of our total brain mass. This is why there is a multitude of irrational and unconscious forces motivating us to buy things. The colour and finish of a gadget, the sound of an exhaust pipe, new car smell, the shape and status are some irrational triggers.

Solution: We need to market using a combination of three psychological positioning approaches: 1) *functional*, 2) *emotional*, and 3) *societal*. For example, Dulux's "Let's Colour" campaign has thousands of employees paint rundown neighbourhoods, and then they celebrate what they have done for society, boosting both the employee's and customer's brand engagement. Cemex don't just sell a bag of cement; rather they position cement as a "Bag of Dreams" and throw a free street party for the community when a building is completed.

Marketers, through strong brand positioning, engage both customers *and* inspire (lead) employees. This strong brand positioning -- both internal and external -- aims to bust silos from developing between departments.

Sin #4: Customer Experience Management Across Many More Touch-points

By spending their money with your competitor, modern customers have total control of a firm's destiny. They have astonishing power, and their expectations just keep rising. The customer was a rational king; now they're our dictatorial rulers. With more touch-points (think online moments-of-truth) how does one gain the competitive advantage?

Solution: Map out the Total Customer Experience

Shopping has become customer-driven. The most important marketing metric is "share of experience" not "share of voice". Using great research, *psychological positioning* must now happen. Humans have *five senses*, which should be seen as channels, to access customers. These channels have both rational (left brain) and psychological (right brain) receptors. To peak the psychological or emotional receptors, imagine a service company's *physical facilities* – the reception area's appealing décor (sight) is infused with the aroma of fresh coffee brewing (smell), you sit down on a leather couch which gently squeaks as you test its surface (touch and sound), the complimentary coffee and chock-chip cookies are world class (taste). The well-groomed receptionist has the warmest smile, tone of voice and handshake.

Two major tips are: add *more touch-points* across numerous digital and physical touch-points (e.g. packaging, retail stores, interactive media), and *personalise* the offering to meet the various segments' needs.

A new school of thought is the chief marketing officer (CMO) should be replaced by the chief customer officer (CCO). And in a retail space, downstream activities (i.e. the store experience) has emerged as the main sources of competitive advantage.

Sin #5: Sales Team clashes with the Marketing Department

In their Harvard article, '*Ending the war between Sales & Marketing*', P Kotler, N Rackham, and S Krishnaswamy (2006), addressed the classic dilemma between sales and marketing. To avoid mud-slinging matches between the two functions, they set out to separate where marketing and sales responsibilities lay.

Solution: The AIDCAS Model is a powerful tool to communicate the pecking order of what marketing and sales needs to accomplish. Marketing does AID (awareness, interest, desire), whereas sales does the crucial CAS (conviction, push for action, servicing). In other words, the sales team takes over the marketing process and drives *Conviction, call-to-Action* (purchase), and *Service*, leading to *insistence* and customer advocacy.

Sin #6: Recruiting the wrong Salespeople

HR Chally's research cites that about 50% of salespeople are not suited to sell. This is because sales managers are not trained to hire.

Solution: Look for the top-two character-traits of 1) empathy and 2) an intense ego drive to win.

Companies employ staff too impatiently. A hotel chain in the USA developed its sustainable competitive advantage (SCA) by interviewing a minimum of 40 candidates for any position.

It is also interesting to note that too many companies allow HR to interview sales people. Interviewing sales staff is a very specialised function, and should be left to experts, or at least the sales manager.

HR Chally suggests these tips when hiring: Define the business results expected, identify only five important skills needed to produce those results, look at the candidate's background and experience, use a structured interview and know what the ideal answers should be, write a test, and also listen to your gut-feel. Lastly, if are you looking for a "hunter" or "farmer", there is only about a 20% chance that a hunter can farm, and vice-versa.

Sin #7: Incorrect Segmentation, Targeting and Positioning (STP)

Imagine dating the wrong customer segment, only to find out after years of servicing, that it was a waste of time.

Solution: All organisations have limited resources, which means they must focus their energy on the customers who will generate the best returns. Research and target attractive segments and consider withdrawing from weak segments where your product isn't valued much. During a recession this risk is exacerbated – so get your STP strategy right in a disciplined attempt to protect your bottom line. Madame Zingara were adored by their South African segment, and at the peak of their SA cycle, folded immediately when they pitched their tent in London (Feb 2009). In his Harvard article, “Rediscovering Segmentation” (2006), segmentation guru Daniel Yankelovic, suggests that we segment our markets using customers' problems as our criteria.

References:

1. EffectiveBrands did their Marketing2020 study; they surveyed 10,000 marketing executives from 92 countries, using 80 questions; and compared high-performing and low-performing organisations. (Ref. Harvard Business Review, Jul-Aug, 2014, p.57)
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3. Kotler, P. (2004). *Philip Kotler's Ten Deadly Marketing Sins*. John Wiley and Sons.

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