

POST RECESSION MARKETING THEORY AND PRACTICE

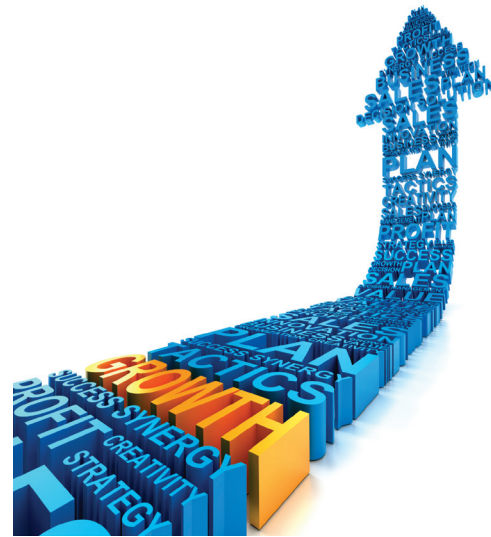
By Allan Steinmetz, CEO | Inward Strategic Consulting

Recently, I came across an interesting research report by Accenture. They completed a study and issued a report called “Onward and Up – How marketers are refocusing the front office for growth. It grabbed my attention for different reasons.

New Market Reality

The research was conducted with over 400 front line CMO’s – the findings postulating an idea that customers are weary of traditional marketing channels as a result of the recent economic downturn. They further suggest that as a result of slashed budgets, plus the demand for products and services have been altered as well. To reverse this trend, marketers will need to rethink their communications to address these changes, often with limited or declining budgets. Now that’s a challenge! Let me summarize, less loyal consumers, shopping in new ways (getting opinions on line by experts, more comparative shopping, seeking advice from trusted advisors from bloggers, no risk free shipping/no fault returns) seeking more value and quality with fewer marketing dollars to create demand and change perceptions.

Accenture suggests that companies need to address these challenges and must “fundamentally change the structure, skills, practices and approaches of their marketing organization to meet these changing needs – within the same budget parameters or with less.” The report continues, for the companies that grew revenue, they described themselves as having stronger abilities in four specific areas; 47% invested in ROI and productivity, 68% achieved above average performance in analytics, 64% achieved above average innovation capabilities and 41% reported effective use of digital channels.



What does that all mean for you?

- Customers have changed, whether they were BtoB or BtoC channels, as a result there is a greater need to know and understand who they are and what motivates their buying habits and needs. Don’t take your current customer understanding for granted. That means you need to do new research. But with limited marketing budgets – you should consider new types of methods of research, like triads instead of focus groups, conducting studies with fan and customer social communities like LinkedIn and Facebook, relying on digital research channels and panels to gather findings and derive insights.
- Seek out best practices and success stories within pockets of your own company and leverage the innovations and broaden the scope to other parts of the company. Never rest on the laurels of the past – but seek out new ways to learn about the customer and adapt new messages/channels to influence their thinking. Share the best practices with the staff through effective internal brand communications and internal social networks. Innovation and fresh ideas can come from anywhere within the company, but it has to be encouraged and rewarded by positive recognition.
- Rely on new channels of social media. Overcome the fear that customers might say something negatives about your products and brands. Use the

communities to learn, populate fresh ideas on how to think about and use your brands. Understand the role the opinion leaders and influencers and how they can make the difference between having a brand that shines or fails. Recognize the power of bloggers and know the ones that follow your business category. Monitor what they say and start a transparent dialogue with them.

- Odds are that your budgets will continue to stay the same or shrink some more. Therefore, be proactive and initiate productivity improvement efforts within marketing. Examine organizational redesign within research, brand management, headcount redundancies, brand consolidations, retiring old nonperforming brands and their investments. Take the savings and reinvest the money in efforts that have the highest ROI and leverage your limited funds!
- Consider new technologies and platforms especially in the area of shopper marketing and wireless applications where marketers can offer instant promotions and incentives to their shoppers when they are actually in the store or online. Macy launched a program this week called Shopkick – They are offering instant rewards to their shoppers on their cell phones for simply walking into their store. Amazing.
- Re-evaluate your people and vendors to insure that you are getting the highest levels productivity at the lowest cost. In this economy, people and vendors are tuned on to work harder, smarter and longer than in the past. Are your people and vendors carrying their weight and adding value? If not, consider replacing them with new talent who are hungry, smarter and more ambitious than the ones that serve you today.

If you have additional ideas and thoughts on how to address the new marketing economy, please share them with me. I would love to hear them.

Now that I have challenged you, if you are wondering where and how to start, give us a call. We would love to have a productive conversation with you regarding these ideas and some of the challenges

your company or organization is facing. We can share some of the work we have done for our clients to help them be more productive. One thing is for sure, based on this research; branding and marketing as a discipline is going to continue to be challenging and difficult with more pressure put on it. Marketers need to rethink what they are doing, be innovative, be more productive and challenge the status quo. Let's talk soon.

About The Author:

Allan Steinmetz is the CEO and founder of Inward Strategic Consulting, an internal & external branding, change management, team alignment and market research consulting firm with offices in Boston, Orlando, Chicago and San Francisco.



He has over 30 years' experience in marketing, branding, change management, and advertising/communications. His background includes work for Ford Motor Company, US Postal Service, Ericsson, Pitney Bowes, Campbell's Soup, several High Tech companies and start-ups and professional services firms.

Prior to establishing the firm, he was Senior Vice President and Corporate Director of Marketing for Arthur D. Little, a premium management consulting firm; where he was responsible for the firm's brand identity, business development, lead generation, advertising and communications. Prior to ADL, he was the Worldwide Director of Marketing and Communications for Andersen Consulting (now called Accenture). Prior to Andersen he was with Young and Rubicam for ten years as Senior Vice President and Director of Marketing in a variety of management and new business roles.

Allan has been cited in over 100 business publications such as the Wall Street Journal, Adweek, BtoB Magazine and many others. He has been a featured speaker and presenter at International Association of Business Communicators (IABC), American Learning Institute, American Marketing Association, Information Technology Services Marketing Association (ITSMA) and the American Strategic Management Institute (ASMI).



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