



Home Port Marine Marketing

8945 Harrivan Lane, Fairfax Station, Virginia 22039 USA

1+703.495.8478 • Fax: 1+703.495.9614

<http://www.homeportmarine.com>

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Emerging Brand Marketing

COST -EFFECTIVE MARKETING FOR EMERGING BRANDS

Ray Podder

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Peter Drucker, the famed management guru, once said, "What matters in the marketplace is the economic reality, the costs of the entire process, regardless of who owns what."

As marketers, we know that the purpose of any business is to sustain the process of profitability in the long term. That process ultimately being marketing—and, more specifically, creating a sustainable brand.

So given the wisdom of those like Drucker who've experienced market cycles first hand, which areas do today's emerging brands need to rethink to specifically manage the costs of the entire marketing process? Which principles can reasonably ensure that your brand's marketing efforts can steal share from the established players?

Assumptions

Before I begin to answer that question, let's look at three disillusioned assumptions in today's marketplace that may be altering our perception of where to allocate our marketing resources.

1. Advertising costs money

Most still believe that brand desirability is about brand awareness. We must spend lots of money to achieve brand omnipresence so that when the consumer decides to choose us, we're right there in their face, right?

So, what were the billboards you drove past today, or commercials you saw on TV? Look, we are aware of many brands in our over-advertised existence, but they only become relevant when our current focus matches their offerings. Like how we notice other vehicles of the same make right after we buy a new car, brand relevance is often about our focus relative to time and place.

Understanding this time and place is what puts the success of point of purchase display ads ahead of 30-second spots on TV, word of mouth ahead of outdoor advertising, referrals ahead of cold calls.

Advertising effectiveness today is about being at the right place at the right time. Being everywhere is only a luxury for a few global brands, but in the reigning age of TiVo-like customization that too is becoming as irrelevant as the overpriced country club membership.

2. Top-of-mind positioning leads to sales

If knowledge of a brand's existence stays with you, like that stupid song you've not been able to get out of your head since this morning, then somehow you're likely to buy it! As you already know, buying something is an orchestration of multiple factors.

Factors such as having the means, having the perceived or actual need, experiencing a particular circumstance or fulfilling a particular goal are among multiple considerations before you actually make the purchase. In most cases, it is a combination of the consumer's own awareness as well as their means and circumstances aligning, then finally sealed with validation from a trusted source to close the deal. The bottom line is that it's not so simple, and just remembering something is not enough to ultimately choose it.

Today, people are better informed, and thanks to the Internet they also have the means to instantly compare options before they make purchasing decisions. Those who still believe they can just "position" themselves ahead of the competition are doing more to secure their position in the business obituaries, not in the marketplace.

3. People are generally loyal to their favorite brands

If brands create emotional relevance with customers over time, then they can potentially win them over for life, right? If you believe that's true, then you must know Coke drinkers who've never tried Pepsi, Nike owners who've never tried on a pair of Adidas, Starbucks customers who won't ever get their latte from The Coffee Bean, right?

Today, we live in a society of overwhelming choice, which basically translates to relationships of convenience with the brands we choose. Today's "wired" become tomorrow's "tired" often in the course of a week, no matter what the emotional connection was when it was "in". Brand loyalty is an illusion for marketers for the most part, and those that focus on innovation of their brand offerings with emerging trends are poised to fare better than those who still believe their customers will remain loyal to them.

Principles

So now what? Which principles can produce results for emerging brands that manage cost and waste at the root? What always works despite economic and social uncertainties? I propose it is the following.

1. Let influencers drive your marketing

Influencers (those individuals or organizations who ultimately influence the buying decisions of your end consumers) represent the path of least resistance to your target audiences. Spending resources to reach one of them is far more cost-effective than spending the same resource to reach their potential community. People trust opinions of respected sources, and they trust marketers less and less everyday. It's just good old-fashioned common sense and basic human nature. Just think of the last time you made any significant purchase for the first time based on advertising alone....

The most interesting development of this is that today a single source of influence can affect change in more consumers than ever before. The recent success of social networking sites such as Friendster and Tribe.net is living empirical proof of just that. As both on- and offline media continue to dissolve geographic barriers, a satisfied "influencer" undoubtedly becomes the best marketing investment value per every dime spent.

2. Don't force your presence, be discovered

Yahoo! recently released statistics showing that across all five metrics (brand awareness, ad awareness, message association, brand favorability and purchase intent) online advertising improved brand strength by up to 42%. As indicated from my earlier points, I'm no fan of advertising for awareness's sake, and I also realize that one can interpret numbers to make just about any case, but here Yahoo! revealed a fundamental truth. People remember the brands that they themselves have sought out.

Today, we live in an over-communicated and over-advertised society. As more advertising is thrown or "pushed" at "eyeballs" and more "impressions" are registered, our filters of tuning them out get better and better. From a pure cost perspective, does it not make more sense to be sought after rather than waste resources via "buckshot" advertising?

OK, so how does your brand become sought after when we live in a world where PR spins become the evening news, and "stealth" marketing moles are placed among us to further erode our trust in marketing tactics?

For one, it is about your "influencers" discovering your true passion toward your brand objectives. Today, you can't hide behind image-building hype if your model is basically smoke and mirrors. Consumers not only expect innovation and relevance; they also expect accountability and good citizenship. However, even the best of intentions do not necessarily translate to brand popularity; the next point may offer some guidelines for getting discovered more often.

3. Ride along with others on the same journey

One of the biggest mistakes companies make is to attach themselves to charities at random to show how "good" they are. To most consumers, this represents nothing more than another kind of marketing, though the intentions may be noble. This approach is often wasteful and misdirected, because it is viewed as a part of the

marketing mix to be handled by the idealist young executive and not as a key component of the marketing strategy. Honestly, it comes down to the clarity of your brand's core values. If those objectives are defined well, then "riding along" can potentially become the engine of your marketing initiative.

For example, if one of your brand values is about "empowerment," then your focus should be to find another business (nonprofit or not) that has the most equity built up in that concept. Ride with the leaders; don't just catch random rides. From a cost perspective, a well-orchestrated ride-along is far more effective than multiple associations with good-intentioned choices.

The Best Strategy

Listen, to cut through the noise in our over-communicated existence, we have no choice but to examine our core. The business models that support our enterprises must align with the most efficient strategies that can offer clear options to the confusion.

Consider this statement from Sun Tzu's *The Art of War*: "On a ground of disintegration, do not fight. On shallow ground, do not halt. On a ground of contention, do not attack. On a ground of intercourse, do not get cut off. On axial ground, make alliances. On deep ground, plunder. On bad ground, keep going. On surrounded ground, plan ahead. On deadly ground, fight."

The point is this: regardless of timeframe, the best strategy has always been to adapt.

In today's unpredictable markets, the best way to control costs is to be in the best position to adapt to changing circumstances. So back to Drucker's original point of the cost advantage being the true survival factor for emerging brands... picking efficient marketing models, then, just may be our best position yet.