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Insights On Brand Development From The Marketing Front

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BUILDING LASTING RELATIONSHIPS

We often hear from marketing managers (particularly outside of consumer package goods categories such as in Medical Devices & Diagnostics, Pharmaceuticals, Financial Services, etc.) that their company's competitive advantage resides in the special relationship between their customers and sales force. Ah, how wonderful. Yet, how scary too!

When you think about it this kind of a relationship could be unhealthy. It suggests there is not much difference between this company and competitive companies. Nor is there likely to be relevant, meaningful differentiation between the company's product offerings and those of its competitors. It is undoubtedly a company devoid of true "brands" and, as such, selling, not marketing, in an "age of sameness" where products are perceived by customers as basically interchangeable. It is a situation that is drifting into the stage of commoditization, if it has not done so already.

Furthermore, a relationship that is dependent upon the personality of a sales person is rather fragile. What happens when the sales person moves to another company? The answer is predictable: the relationship is broken. It is devastating when that special sales person moves to a competitive company and takes the customer with him. Then that sales person is no longer so "special" to the company.

Our responsibility as marketers is to "create brand loyalty." "Create" means to bring a customer into existence. "Brand" goes well beyond the physical entity of the product (its features and attributes) or what it does in a generic sense. Instead, it connotes a *special relationship* with customers forged through a constellation of shared values and meaning. By the way, the company can, in some cases, be the brand. "Loyalty" demands that the customer be devoted and attached to the brand. Customers will prefer your offering regardless of the sales person.

This isn't to suggest that companies should not seek to develop strong relationships between customers and the sales force. A sound relationship between the two is undoubtedly beneficial. But it is not the "end all." Instead, we marketers must ensure that the special relationship our company enjoys is to the brand. In that way the company will be able to leverage, versus depend upon, the capabilities of the sales person. The company will establish a sustainable franchise of customers with unswerving devotion.

BOATS & HELICOPTERS:

In order to create that special customer relationship with the brand consider the following:

- 1. Engage in big “M” Marketing** – Companies where the customer relationship is with a sales person, versus the brand or company, practice small “m” marketing. Specifically, marketing within these organizations is not perceived to be a significant contributor to generating sales growth or gaining a competitive advantage. It, like every other discipline in the organization, takes a back seat to the sales force. As it relates to marketing, this may be the result of not measuring the impact of marketing efforts, marketers and their management being sourced from sales and not understanding what marketing can contribute, lack of training in brand marketing, etc. Instead, the purpose of marketing in these companies is merely for the marketers to provide support to the sales force. Is there any wonder, therefore, why the customer relationship is with the sales person? Big “M” Marketing is strategic brand marketing. Strategic brand marketing is competitive, seeking to drive customer preference, through target selection, strategy development and the creation of marketing initiatives. ((If you would like to explore bringing training in Big “M” Marketing to your organization please contact either of us, or Lori Vandervoort.)
- 2. Target a segment of the market** – Contrary to the popular, but mistaken, belief market segmentation does not limit itself to messaging. The purpose of segmentation is to better understand “most likely” customers in order to better reach and serve them, in everything the brand does, than the competition. Due to limited resources (and who does not have limited resources?), size of customer base, differing customer needs and values within any given category, etc., it is impossible to serve all equally or attain a competitive advantage with all customers. Serving the customer includes activities such as what the brand does in: product development (e.g., improvements, line extensions, new products); continuing medical education; terms; and promotion - to name just a few marketing mix elements.
- 3. Develop a competitive brand positioning strategy** – This creates the meaning you want to establish between the brand and its potential customers. It is how you want customers to perceive, think and feel about your “brand” (not product or sales person) versus the competition. The brand represents a constellation of values not physical product features and attributes, which can be easily replicated and thus neutralized by competition. Johnson’s Baby Powder is comprised physically of talc and fragrance. Its competitors contain the same ingredients. But the brand “Johnson’s” carries added value of trust and, even love. It is no wonder the brand is able to enjoy a price premium of 50% or more than its competition. The brand positioning strategy addresses the following elements: target-customer; competitive framework; benefit; reason-why; and brand character. Each provides and opportunity to establish a competitive advantage in driving customer preference for the brand.
- 4. Practice “Power Positioning”** – Developing the brand positioning strategy is a good start but in itself is not enough. Everyone in every discipline in the organization should be aware of the brand positioning strategy and develop initiatives (i.e., specific tactics) that reflect and reinforce the positioning. In this way, the brand positioning gains traction in the marketplace with its customers. Like the customer’s response to the sales person the brand positioning thereby elicits a favorable response through its meaning and, importantly, constancy that drives preference for, and a special relationship with, the brand.

5. **Grow with success** – What we mean by “grow with success” is that the marketer should focus on the key drivers of business growth. We have a plethora of marketing mix elements from which we can select to build our marketing plan and stage our relationship. But not all marketing mix elements create the same value for the brand. Not all marketing mix elements will make an impact with customers. Some will stimulate the desired behavior (i.e., the Marketing Objective) from (potential) customers while others will not. Therefore, it is important to learn, by gaining customer feedback (i.e., some form of marketing research and/or business analysis), what marketing mix elements favorably connect with target customers. These elements become the conduit from which we establish a relationship to the brand.

To build a lasting relationship with customers establish it with the brand or company, and leverage it with the sales force.

If you are interested in learning more consider attending our Brand Positioning & Marketing Communications or MAP (i.e., Marketing Analysis & Planning) College programs. We will be conducting an “Open” Brand Positioning & Marketing Communications College on 1 – 3 May 2007, in Evanston, Illinois. Please contact Lori Vandervoort at 800 255-9831 to learn more or to register as soon as possible. Availability for this program is limited and we will not be conducting it again until 2008.

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Our next Open Brand Positioning & Marketing Communications College is scheduled for May 1-3, 2007 at the Hotel Orrington in Evanston, Illinois. To reserve your space or for more information, Please call Lori Vandervoort at 800-255-9831 (620-431-0780)

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