

# **DISPATCHES**<sup>TM</sup>

*Insights On Brand Development From The Marketing Front*

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Sunday, February 20, 2011

## **SOCIAL MEDIA AND ESTABLISHING A DIALOGUE WITH CUSTOMERS**

We, at BDNI, are media agnostic. What we share with marketers in our training programs and consulting practice comprises the foundation of effective, ROI marketing, and applies to all mediums. (If you don't know who you are serving or what is important to them you will fail regardless of whether your medium is television or an Internet website.) We are not wed to any particular type of media. Instead, we worship the idea. It should drive our marketing and communication campaigns. Certainly, the idea must be relevant to our target customer, and it must compel customers to a predetermined behavior (i.e., your Marketing Objectives) that will increase sales while, at the same time, build brand equity.

Once we have the idea, we are in favor of driving it through 360-degree media. Implementing 360-degree media is not a new idea, or practice. We were doing it 40-years ago. The only difference is that there are far more media choices today than there were back then, during the prehistoric era. One of today's hot choices is social media, which is being worshipped more than the idea. It could very well turn out to be worshipping a false God. If there is no idea then there is no substance, regardless of the medium being employed.

Social media, and all things digital, appear to be in vogue. They are touted as being more important than traditional media (i.e., television, print, etc.). It is proffered that they change the way marketers and customers communicate. Traditional media is condemned for being one-way conversation (marketer to customer), whereas social media is considered to promote a two-way conversation (between marketer and customer). If only the latter were true. Far too many marketers don't really want a two-way conversation. They only want customers to sing the praise of the marketers' brands. Moreover, these marketers can be insensitive to, and disrespectful of, opposing thinking.

It is believed that entering a dialogue with customers, by opening a two-way conversation, will encourage a productive relationship and, in turn, bolster sales and create brand loyalty. But things don't always work out the way the marketer wishes. It's a double-edged sword. Just the way marketers can hijack the dialogue, so too can customers. The Pampers Diaper brand recently came under fire from customers who claimed that a touted product improvement was actually leading to chemical burns. It was a conversation that ran awry, for the Pampers Diaper brand that is! We may start and encourage a dialogue but the fact of the matter is that we don't know where the customer is going to take it. It could help, or hinder, the brand.

Yes, the impact of social media can be positive. But then it can also turn quite ugly. Recent

events in the Middle East are telling. Social media helped fuel unrest and demonstrations in Egypt. This is certainly not what the Mubarak regime wanted. Instead of entertaining a dialogue, the Egyptian government attempted to clamp down and repress social media sites, and the people using them. This resulted in exacerbating the situation, further enflaming the public. Totalitarian regimes have become quite adept at shutting off a dialogue. They have barred sites like Facebook and YouTube. They have created their own social media sites to take the place of the banned sites. These have been used to dupe potential dissenters and spread propaganda. Why? The reason is obvious. They don't want to enter into a dialogue. Marketers, too, have attempted to repress, or outshout, dissenting opinion.

We're not suggesting that today's enlightened marketers and their organizations are like dictatorships. What we are posing is the question of whether the intension is to enter a true dialogue with customers, for which social media may be particularly effective, or to exploit a new medium in which they believe they will be able to more effectively advance the marketer's agenda of selling more goods and services. In the later case, the marketer's move to social media represents the search for the "silver bullet." But really, what makes one think that if s/he is not effective with traditional media that s/he will be effective with new media? No, without a firm hold on the fundamentals of marketing and appreciation for ideas, the marketer will fail irrespective of the media but, perhaps, more dramatically with social media. This traces to the customer being able to see through marketers' veiled attempts to manipulate them and, in turn, hijack the conversation.

A dialogue is something you do with others, not to them. Entering a dialogue is about:

- Inviting conversation versus selling;
- Listening versus just talking;
- Embracing different points of view versus advocating your own;
- Learning versus expounding;
- Inquiring versus explaining;
- Sharing a partnership versus manipulating;
- Opening to new thinking versus sticking with the party line;
- Being flexible versus rigid;
- "Mutual" versus "self" interest ... among other things.

The fact of the matter is that customers are already talking to us. We just need to know how they are talking to us, and where to listen. Here are some thoughts:

- *Customer complaints and comments* – These come into the organization all the time. They should be captured, circulated and read. Importantly they should be acted upon in real time (i.e., in the moment). We can learn a lot from listening to our customers – what they don't like, as well as what they like.
- *Sales trends* – These are rather telling too. Are you growing? Declining? Are sales keeping up with category growth, outpacing it, or falling behind (i.e., what is happening to market share)? This is a strong vote of confidence, or lack of confidence. Another important measurement is promotion sales to total sales. If your promotion sales are growing as a percent of total sales then trouble is brewing. Customers may very well be expressing that your brand is not quite the value you think it is versus competition or that they perceive your brand to be no different than your competitors.

- *Sales force suggestions* – Your sales force may be the closest intelligence asset you have to the customer. Learn from them. Listen to what they have to say. Importantly, get into the field with them and engage the customer on the sales forces’ turf.
- *Marketing research* – Quantitative testing such as a Usage, Attitude and Awareness Study can provide valuable insights into the customer. However, quantitative studies represent a snapshot in time. It is better to take periodic measurements to read important trends. Qualitative research can be incredibly valuable if designed appropriately. Talk separately with loyalists, switchers, and competitive loyalists, to learn how each perceives your brand, intangibles, etc. It is also important to learn from those who have recently defected from your brand. Get to the “why” behind the “what.”
- *Media services* – Hire a firm to gather third party references and commentary regarding your brand, or organization. This would include media clippings from news services, and television pick-ups. What is the press (public and business) reporting about your offering? What is being promoted in the popular culture?
- *Internet searches* – Yes, people are talking about you. Again, find a set of ears to learn what they are saying in blogs, twitter and other social media sites.

But, what if you’re not hearing anything? Does that mean the customer is not talking to you? Not necessarily. They may be apathetic (which is not a good thing). Or, you may simply not be worth their time. If they are not making sounds it is important that you get to the heart of the matter before it manifests itself in declining sales, etc.

We’re not against social media. We want you to know that there are other ways to enter into a dialogue with customers. And, we want you to be clear on why you are using social media (learn or manipulate), and what you can expect (the good, the bad, and the ugly). Before engaging in social media, make sure you can handle the truth (as perceived by the customer). It is not a silver bullet. There are no silver bullets. Success takes a thorough understanding and disciplined application of marketing fundamentals fueled by big, juicy ideas. The medium is not the idea!

### **BOATS & HELICOPTERS:**

- 1) *Get back to the basics* – Don’t be tempted by the lure of new technology. Marketing is more, much more than today’s “media du jour.” It’s about: establishing a competitive brand positioning to transform products into brands; knowing and serving your customer better than competition; marketing by SMART objectives; knowing the ROI on all marketing mix elements and tactics; fueling growth through big, juicy ideas ... among others.
- 2) *Manage a leadership 360-degree campaign* – Start with a big marketing campaign idea that can be used as a big communication idea. Leadership communications achieve “stretch” objectives and are productive for a long time (like years versus months). Go where your customer can be *engaged*. If the medium does not allow you to engage the customer, and motivate a desired behavior (such as switching), then it’s not a good choice for your brand. For more on this subject go back and review last week’s DISPATCHES article.
- 3) *Understand your motives, and commitment, to engaging in social media* – Are you really looking for a dialogue with customers, or to manipulate them? Can you accept it if

the dialogue doesn't go your way, or quite as planned? Make sure you understand your objectives, appreciate the merits of the medium, and can handle the truth before you squander precious resources (money, and time!) and, perhaps, your reputation.

- 4) ***Conduct adaptive experiments*** – Start small. Get a feel for what you are doing, how social media works, and outcomes (versus expectations), prior to expanding. Can you put an ROI on it? The objective here is to maximize results, while minimizing risk as you are learning.
- 5) ***Set out listening posts*** – Do you have a customer hotline? If not, get one. If so, are you getting weekly updates, reviewing and responding to them? If not, begin. Get into the field to call on customers with sales personnel. Engage in marketing research to learn from customers – yours, the competitors, and those that are indifferent to current offerings. Analyze sales and market share performance. Get at what the trends, and underlying numbers, are telling you about customers' responses to your brand.
- 6) ***Address the “elephant” in the room*** – The elephant in the room is that which is important but marketers don't like to acknowledge. Hey, this is a dialogue. We can't stick our heads in the sand. We have to face-up to what's going on.
- 7) ***Demonstrate true respect for your customer*** – Let's not patronize. It's not nice. If that's not enough reason, be aware, well aware, that if you are not nice the customer just might pop-up and bite you in the \_\_ \_\_! How might you demonstrate true respect?
  - Your actions speak louder than your words! Don't just listen to problems and respond on an individual complaint basis, get to the underlying cause and fix it so it doesn't occur again, for any customer.
  - Give your customers the benefit of the doubt. Don't blame them when something doesn't work the way it is supposed to work. (“Oh, you must have not loaded it properly.”) Understand your role in their problem.
  - Make it right. Do something unexpected. Don't just apologize or make good on the situation. Go one better. Do something beyond that which they seek. Use the occasion to build a stronger, more healthy relationship.
- 8) ***Remember to dialogue is something you do with others, not to them.*** Social media is only one way to do it. Your actions demonstrate you've heard your customers and are willing to do for them.

So, we are listening. Talk to us. What do you have to say on this matter? We would like to learn from you.

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