

# DISPATCHES™

Insights On Brand Development From The Marketing Front

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## THE BIGGEST EXCUSE IN MARKETING

What is the biggest excuse in marketing? Here's a question that was originated from one of the participants from our Leadership Marketing Communications program:

**Q:** “The one about the *Biggest Excuse in Marketing* struck a chord with me. I don't know if folks brought this up during the training, but the excuse we hear most on our brands is that we're underfunded versus all of our major competitors. The thought is: ‘If I only had competitive media weights to the #2 brand, I could take 'em.’ But this sounds like an excuse. What do you think?”

**A:** Ah, yes, we get this question, and hear this excuse, all too often from marketers. It's a cop-out, no question about that. There are three primary ways to win in the marketplace against larger or well-funded competitors:

- 1) *Lower pricing* – This is unrealistic for our large multi-national clients. Most of these clients' products are typically premium, or equivalently, priced to competition. They are not going to win on lower pricing particularly in this era of aggressive private label brands, lower priced imports from developing countries, combined with customers' acceptance of GAQ (Generally Accepted Quality).
- 2) *Outmuscling the competition* – When we refer to marketing “muscle” we mean having more feet (salespeople) on the street, outspending competition in media, et al. But this isn't going to happen either; otherwise the question or comment wouldn't have been posed. We're talking about a smaller brand, with significantly fewer resources than the leaders. Perhaps, the company may have the resources but has decided to employ it on other businesses, or geographies. So this is about a brand that is eating what little muscle it has.
- 3) *Differentiating versus past practices, and the competition* – This is the only place that smaller brands with seemingly inadequate resources can compete. We can't continue the same practices and expect different results. Einstein is quoted as saying, “The definition of insanity is doing the same things, in the same way, and expecting different results.” Not only must we do things differently than we had in the past but must differentiate versus the competition, in a way that is relevant to our customers.

We marketers cannot allow ourselves to wallow in self-pity regarding our paucity of resources, regardless of whether this be media weight, sales attention, R&D focus, etc. We have to find a way to win with what we have at our disposal. It's our job. End of story! If we can't do it, savvy management will find someone who can. It's like a coach who has to win with a team with lesser talent than the competition. We need to be that much more creative in managing the business if we are in the distant number two, or lower, position in the marketplace. It can't be marketing as usual. Instead it must be *marketing as unusual*. Think Red Bull. In the world of beverages they had no SOV yet they ushered in a whole new category of beverages.

By the way, getting more resources is not out of the question. Don't give-up so fast. It's only out of the question if our brand role does not call for investment or if we are proposing the "same old, same old." There's no percentage in winning in the marketplace doing the same things and, as such, the prospect for more resources, that way. Management will invest in our brands if we have something new and fresh that's promising, and has a proven ROI (Return on Investment). Show senior managers a highly favorable ROI and we'll get needed funding. If we can't show a highly favorable ROI, then as investment bankers (that's one of the roles our senior managers play), they will allocate precious company resources to another brand, or put them to work in another country, and/or on a different marketing mix element, etc. The proven idea comes first. The funding follows. No proven idea, then no funding. That's life in the real world, our world.

### **BOATS & HELICOPTERS:**

What can we do to grow smaller brands whose prospects are compromised by less resource allocation than larger competitors? Here are some thoughts:

- 1) ***Think Different*** – Don't dare do the same things in the same way and expect different results. We're only going to get more of the same. And, don't do the same thing as your competitors. They out gun us and will defeat our attempts at growth. This will not only result in failure in the immediate term but also undermine our ability to gain additional resources in the future since we will not have a proven track record of successes.
- 2) ***Think Big*** – No, we're not talking about big as in budgets. We already agree that we are attempting to do more with less. Instead, we need to generate Big Ideas. We need to think about game changers in the way we go to market, or what we have to offer our customers, or what customers we will serve, and how we will serve them, etc. Big Ideas don't have to be costly. They just have to be appropriate, and capable of creating real excitement that translates into sales. We need to find ideas that are capable of creating a disruption in the marketplace where a David can take on and beat a Goliath.
- 3) ***Brainstorm*** – Pull together a multi-discipline team of creative thinkers from your extended brand team (product R&D, agency, customer intelligence, sales, promotion planning, etc.). State the problem. State it again another way. State it over and over again until you've identified the real problems. Next, brainstorm, without judgment. Then, assess, adapt, test and analyze. Certainly, the team is bound to identify a few good ideas worthy of pursuing that will prove their value in growing the brand in the marketplace.
- 4) ***Concentrate Available Resources*** – This is about making choices. *Segment*. We can't do

everything. *Segment*. Even brands that have large budgets can't do everything or, at least, everything well. *Segment*. We can segment and, consequently, concentrate resources by geography, constituency, customer account, target-customer, marketing mix element, tactic, media vehicle, training programs, KOLs, etc. Allocate resources where you have a chance of having impact. Resist diffusing resources, including our time, where we cannot have an impact. Answer this question, "If I only had one unit of currency, where would I employ it to get the biggest bang for it?" *Segment*.

- 5) ***Stop Doing Things That Are Not Working*** – Peter Drucker, the Father of Modern Management, urged managers to spend their time doing the right things. Yet, he said, "90% of what we work on is the wrong things." If it's not working for the brand, or we are not sure if it is working, we've got to bring a stop to it. It's draining us, exacerbating our limited resources, and keeping us from making greater progress on sales growth.
- 6) ***Out-Execute the Competition*** – In other words, do it right. Make sure we have a competitive, ownable brand positioning strategy. Ensure that our messaging is strategically appropriate, single-minded and capable of stimulating the intended customer behavior needed to achieve business objectives. Make every engagement with the customer stand out for being a positive experience. Whatever we choose to do, we must do it right! Seek flawless execution.
- 7) ***Partner Up*** – Find a partner, or more. Ride the coattails of another, preferably larger brand. Go with something that will add to the value perception of the brand, and leverage (better yet, multiply) available resources. If we cannot team-up with something that is larger than our brand, let's find something that fits perfectly to generate real synergy. Or find a scrappy partner, or something that has been previously overlooked, or is about to be discovered.
- 8) ***Learn from Other Brands*** – Identify other brands that have done more with less. Who are they? Analyze them. What did they do to achieve success against larger, better-funded competitors? Don't copy what they did. That's mindless. Instead, we need to understand the principles at work and then apply them to our business as appropriate. That's mindful.
- 9) ***Prove The Case*** – We need to prove that we can deliver a favorable ROI if provided additional resources. No proof, no go! Figure out how we can go about proving our case. Don't cut funding for testing new business building initiatives. If we do, we leave ourselves vulnerable in future years, and to complain about the same issue: "We don't have sufficient resources to do a good job."
- 10) ***Don't Dare Give-Up*** – As soon as we give-up we perpetuate a self-fulfilling prophecy. We give-up, we fail. Instead, we must persist with finding ways to *create a disruption* in the marketplace. Think. We have to find a way that will overturn the order of things in the marketplace, and our organization. Think about what it will take to win in the marketplace. Think about what it will take to attract additional resources. It's the strategic difference in winning with less in the marketplace.

Let's stop making excuses. No excuses, ever.

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