

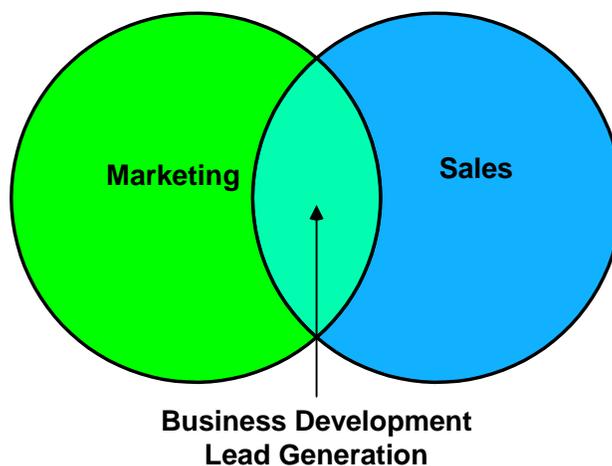


Successful Marketing

What is Marketing and why is it so important? What does it mean to be successful in Marketing?

Marketing is perhaps the toughest aspect of business to master, primarily because it is not easy to gain marketing experience. Marketing experience is usually left to the professionals in larger corporations and to consultants in smaller ones, and there are relatively few entry level marketing positions. In larger companies, marketing departments are typically small, and “outsiders” are not easily integrated into the department. Adding to the confusion is the use of the term “Marketing” itself. Marketing means “buying and selling” to some people, a definition that is backed up by Webster’s Unabridged Dictionary (1998), where Marketing is defined as being, “The act of selling or of purchasing in, or as in a market”. This is very confusing, and probably one of the reasons that many people do not understand the difference between Sales and Marketing in the business sense, and therefore, do not understand Marketing.

Marketing and Sales form a continuum of activities for attracting customers and closing deals, and there is no clear-cut, universally acknowledged dividing line between the two. It is difficult to say where Marketing stops and Sales starts. We say that Sales starts when you begin talking to a prospect, or when that prospect starts to order something electronically over the Internet. That is an arbitrary, but common, line in the sand that makes a pretty good delineation of the two functions.



Sales and Marketing overlap at most companies in two different ways: 1) in the function of lead generation and 2) in the role of business development. In some businesses, lead generation is completely the responsibility of the Marketing department, but in other organizations, Sales has the total responsibility. In larger companies, business development normally applies to that area in between Marketing and Sales focused on pursuing long-term relationships and opportunities. The Marketing department usually manages

this function, because a business development staff cannot be effectively compensated and managed in the same way as the Sales staff. This is a bit confusing because some firms use the term “business development” when they could be using the term “sales”; to them, “business development” is a more prestigious and effective title.

We define the six primary functions of marketing as:

1. Understanding the Needs and Wants of the Marketplace,
2. Selecting Market Segments and Routes to the Marketplace,
3. Developing Products and Services so They Meet the Needs and Wants of the Marketplace,
4. Communicating the Value of your Products and Services so that the Marketplace Understands Them,
5. Branding and Positioning, and
6. Lead Generation.

Understanding the Needs and Wants of the Marketplace

The first function of Marketing can also be the toughest. It takes a customer-focused perspective, and usually a lot of time and money to discover and validate the needs and wants of the marketplace. Some businesses are lucky and find an eager market for their first offerings, but more often than not, it takes a lot of trial and error before you find just the right branding, packaging, and messaging that generate the desired results.

Marketing is part art and part science. Products are proposed and designed in creative, artistic ways, but the analysis of market response should be very scientific. Listening to the market and validating your findings through surveys, pilot offerings, and other research is critical to your success. Research must be continuous: the needs and wants of the market are constantly changing because of advances in technology, the economy, and the competition.

Selecting Market Segments and Routes to the Marketplace

Implied in the understanding of what your market needs and wants is the definition of the market segments you want to address with your products and services. No business has enough money to advertise or execute lead generation campaigns worldwide; we all have to focus our marketing and sales efforts in specific market segments. Picking market segments that have a sufficient number of qualified prospects and can be reached profitably is critical to your success.

Developing programs to reach those chosen market segments comes next, because finding them means nothing if you cannot reach them efficiently and effectively. Common routes to market include direct sales, channel sales, e-commerce sales, shopping networks, radio and television infomercials, public relations, print media, direct marketing campaigns, and others. Deciding which routes to market are going to be the best for you, and in what sequence to implement them, is an important aspect of Marketing.

Developing Products and Services so They Meet the Needs and Wants of the Marketplace

The only way to demonstrate that you understand the needs and wants of the marketplace is through the development of your products and services. This is often called the Product Management function, and includes creating the features and functions, the names, the images, the messaging, the packaging, and the pricing. It is both the functionality and the “look and feel” of your offerings. It is the creation of the total solution so that it is convenient and easy for your customers to get value from your products and services, and to understand how that value is going to be delivered and received.

The Product Management function has responsibility for the profitability of the products, and as such, may have engineers, sales professionals, graphic artists, accountants, and manufacturing and distribution specialists as a part of the product team.

Communicating the Value of your Products and Services so That the Marketplace Understands Them

The way you communicate the value of your products and services to the marketplace is also extremely important. Creating interesting, clear, and consistent value-focused messages is not easy. Many companies mistakenly focus their marketing messages on features, and thereby leave it to their customers to make the critical assessment of personal value. For example, you may be selling copiers that “...operate at 100 pages per minute – substantially faster than other options available on the market!” That is a feature statement. The statement: “Our super fast copiers save the typical business owner from \$1,000 \$1,500 per year!” is a value statement. You should translate *your* features into *their* value, so they do not have to do it for themselves. Value is best expressed in dollars and cents – the language of business.

This communication of value happens in many forms, including your website, your collateral, your sales letters, and your sales scripts. You know you have communicated correctly when the market responds in the way you want them to, either in terms of purchases or survey responses.

Branding and Positioning

Branding and positioning is similar to packaging, except that branding and positioning generally applies to the entire company, and packaging to individual products or product lines. Branding consists of the following:

- Brand Strategy – determining what you want the market to think about you and how you want them to feel whenever they come into contact with you or hear about you,
- Brand Development – creating taglines, font treatments, logos and images (brand icons) that communicate and facilitate your brand strategy, and
- Brand Management – monitoring the effectiveness of the branding and altering it over time.

In truth, you are always branding and positioning your company and your products in everything that you say, do, and create. As Vickie Thomas of Thomas-Martin Associates says, “Branding is the experience of doing business with you. It’s about the image you convey and the impression you make.”

In his book *Brand Harmony*, Steve Yastrow talks about how the market is consciously and subconsciously forming an opinion of what you do and the value you bring with every perception of you, your company,

and your products and services. Branding is developing the image you want to convey, and then communicating that image to the market in everything that you do, so that they “get it” – they know who you are, what you stand for, the value you bring, and *they think what you want them to think and feel what you want them to feel* every time they hear about you or see your name in print.

Positioning is the art of helping people understand your brand by letting them see you with those who have a brand similar to the one you want to communicate, and by positioning yourself against others, especially your competition.

Lead Generation

As mentioned above, some companies put Lead Generation in the hands of the Sales department, which is perfectly fine. The important thing is that it be done, and done well. Gaining a satisfactory number of quality leads is absolutely necessary for the survival of your business. Leads can be gained in a variety of ways, including advertising, networking, direct mail and email, blast faxes, telemarketing, cold calling, and referrals. But they must be generated, period.

How are you performing in Marketing? Do you need training or coaching? Do you have successful Marketing processes in place? Does your brand need a refresh? Are you generating a sufficient number of quality leads?

If we can help you be successful in Marketing, or any other aspect of your business growth, please give us a call or email!

Paul Hoyt

Hoyt Management Group

www.PaulHoyt.com

415.997.8001

paul@paulhoyt.com