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The IdeaBridge White Paper Series:
New Millennium Marketing
An adaptation of "The End of Marketing as we know it"



NEW MILLENNIUM MARKETING

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Summary

This is the way all marketers and advertisers should be measured, judged and held accountable. What follows are the thirty-five most salient, relevant points made in the book by Sergio Zyman, "The End of Marketing as we know it" published by Harper Business. His points are rock solid and his logic is so simple, it's brilliant. Buy the book.

- Marketing must be measured. It must be accounted for. Marketing spending must generate incremental earnings in excess of the costs to generate those earnings.
- When hiring people, they are supposed to produce incremental volume and profit. Marketing expenditures are no different.
- Marketing should use the same financial tools that companies use measure results of any other business unit.
- The goal of marketing must be to get more people to buy more stuff, more often, so the company can make a material return on the investment to generate that incremental volume.
- Marketing is about selling stuff, it is not about creating some ethereal image or mind share.
- The only job of a marketing guy is to get more people out of their houses to buy more of your stuff at a margin that more than compensates for your costs to generate their purchases. That's it!
- Marketing must move people to action. Popularity and mind share is not the objective. You don't want "virtual consumption" you need actual purchases. You shouldn't care a lick about winning awards. Your goal is to win profitable customers. Convincing consumers to buy your products is the only reason a marketer is in business and the only sane reason that a company should spend any money at all on marketing. Those who disagree with this most vociferously, are those marketers who are not comfortable being held accountable for their production!
- Marketing is about systematically and thoughtfully coming up with plans and taking actions that get more people to buy more of your product more often so the company makes more money. Period!
- Every campaign, every new employee, every purchase of new equipment or mailing lists, every new campaign and every promotion should be treated 100% as an investment that must pay a return. Every nickel you spend should be profit producing.
- You should always perform a cost-benefit analysis of every marketing program, big or small, on up-front and a post-mortem basis. You must rigorously track the results and measure the returns.
- The sole purpose of marketing is to get more people to buy more of your product, more often, for more money. That's the only reason to spend a single nickel. The only reason to spend any money is if it will help you sell more products at a profitable margin.
- You don't make any money until you sell the product and you can't sell the product until you've gotten people to want it. And that's what good marketing does. Marketing is a strategic activity and a discipline focused on the endgame of getting more people to buy your product more often so that your company makes more money.



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- Marketing must be tested and measured and held accountable just like any other investment. Find out what marketing investment gives you the greatest return, and spend your money there. Ultimately, a marketer's goal must be to maximize the company's return on assets.
- Once you understand and agree that there is a direct relationship between marketing and getting customer to buy your product, you will see that it is not optional. It is, in fact, a company's most essential activity. And if marketing is not at the very essence and core of your business, you are doomed.
- What's important is to build a strategy that is strictly focused on doing things that will increase profits by getting customers to buy more things at higher prices. The strategy you choose is your roadmap and it has to come first, because the strategy is what determines the tactics that you need. Everybody in the company needs to clearly know what the strategy is, so that they can make decisions and take actions that are consistent with the strategy and that take you ever closer toward your goal.
- Strategy has to drive everything you do. Everything that we do, from how long it takes to answer the phones, to how quickly we respond to loan requests, to how often we go back and forth asking for additional information. Everyone needs to know and understand the strategy and how they impact it daily.
- Marketing has very little to do with art or creativity, and everything to do with facts and figures and science and data. One has to analyze the results and without hesitation, understand whether the assumptions were right or wrong, and change them if necessary.
- Marketing is about experimenting, measuring the results, analyzing them and then making adjustment based on what you find out. *Assume, experiment, review and revise. This is the Marketer's mantra.*
- It is much more efficient to build relationships with consumers and then work on getting the people who know you to buy more product than it is to go out and find new consumers every day.
- Traditional marketers pay way too much attention to creating images and not enough to selling stuff. Marketers are making a big mistake when they hide behind the concept of building images and brand awareness so that they won't be held accountable for producing product sales. It's pure baloney to suggest that marketing isn't about selling products and making money. That's *all* it is!
- You may have great ads and win awards, but if you aren't selling any product, you have failed. Ultimately, the rubber meets the road at the cash register.
- You must tell consumers why they should buy, and you need to tell them why they should buy from you. You need to tell them more and more and more why your product is different; you must differentiate your product from all others. You must come up with all the desirable attributes of your product.
- If you have a relationship with your customers, they are far more likely to stick with you when your product comes under attack by someone else.



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- You must give people a reason to buy from you. Look at Coke. They came up with over 35 different product attributes, including, it was refreshing, sociable, trendy, reliable, smart, cool, etc... What about our company? What attributes are associated with our products? What attributes can we add to our products? You have to get up every morning thinking of yet another reason why people should switch company's to do business with yours.
- Your goal isn't to intrigue or to entertain your prospects and customers; your goal is to sell them more products, more often and at higher prices. To track this success, focus on your conversion rates.
- Focus on smaller and smaller segments of the market and then tailor your offering to meet their needs (niche marketing).
- Before entering any new market, you first have to consider whether there is willingness or need on the part of consumers to buy your product. Concentrate on those markets with the greatest potential and do not spread your resources too thin. The experts all seem to agree that your existing market tend to produce better results than entering new markets. You have a better chance of selling more stuff to existing customers and their friends, than you do to total strangers in a new market.
- There will always be room to make teeth whiter, breath fresher, hair softer and pain relief faster. There is infinite room to up the stakes and you have to make sure that you are the one who does it, even if you end up competing with yourself.
- Remember always, you are in the profit business, not the volume business!
- Consumers will buy your product only if you give them reasons to.
- Constantly measure and test the results of everything that you do.
- Marketing is a science. It is about experimentation, measurement, analysis, refinement, and replication. You must be willing to change your mind if the data indicates that what you are doing is not working.
- Above all, marketing is about results. You must produce measurable results that sell more products and improve the net income of the company.
- Sameness doesn't sell. The value of your service will be determined by its differentiation from the competition in ways that are relevant to the consumers.
- Make sure that everybody in the company understands the strategy, the destination and the business objectives.