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Marketing Challenges for Today's Executives

Georgia State University

Economic Forecasting Conference

May 25, 2006

**“There are 4 basic functions
of business:**

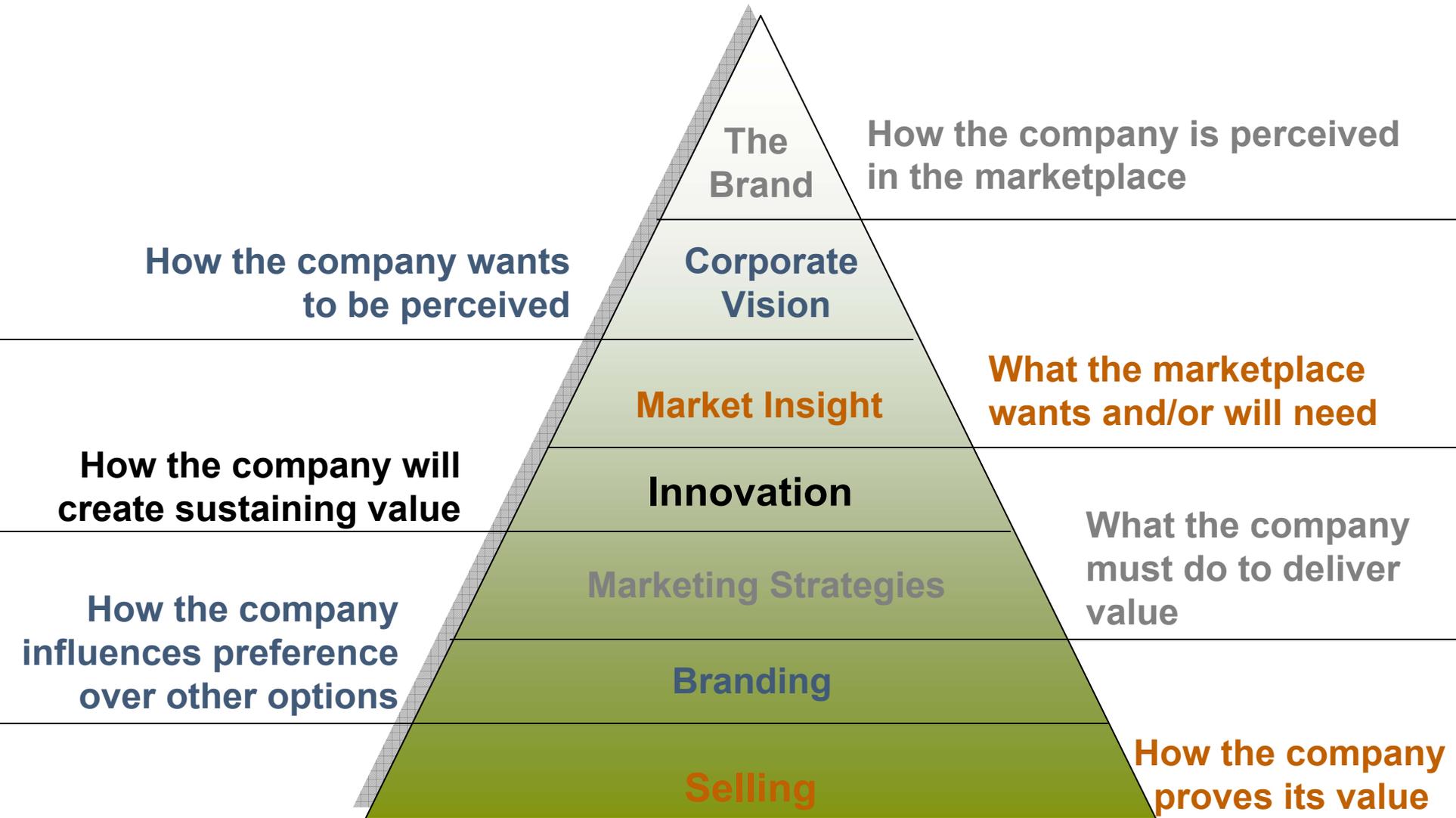
- **strategic visioning,**
- **innovating,**
- **marketing,**
- **selling ...**

everything else is cost.”

How Well those 4 Functions Function Determines:

1. Growth & Brand Dominance
2. Mediocrity & Brand Obscurity
3. Silence & Brand Death-Spiral

Issue #1: Understanding & Embracing the Growth Value Chain



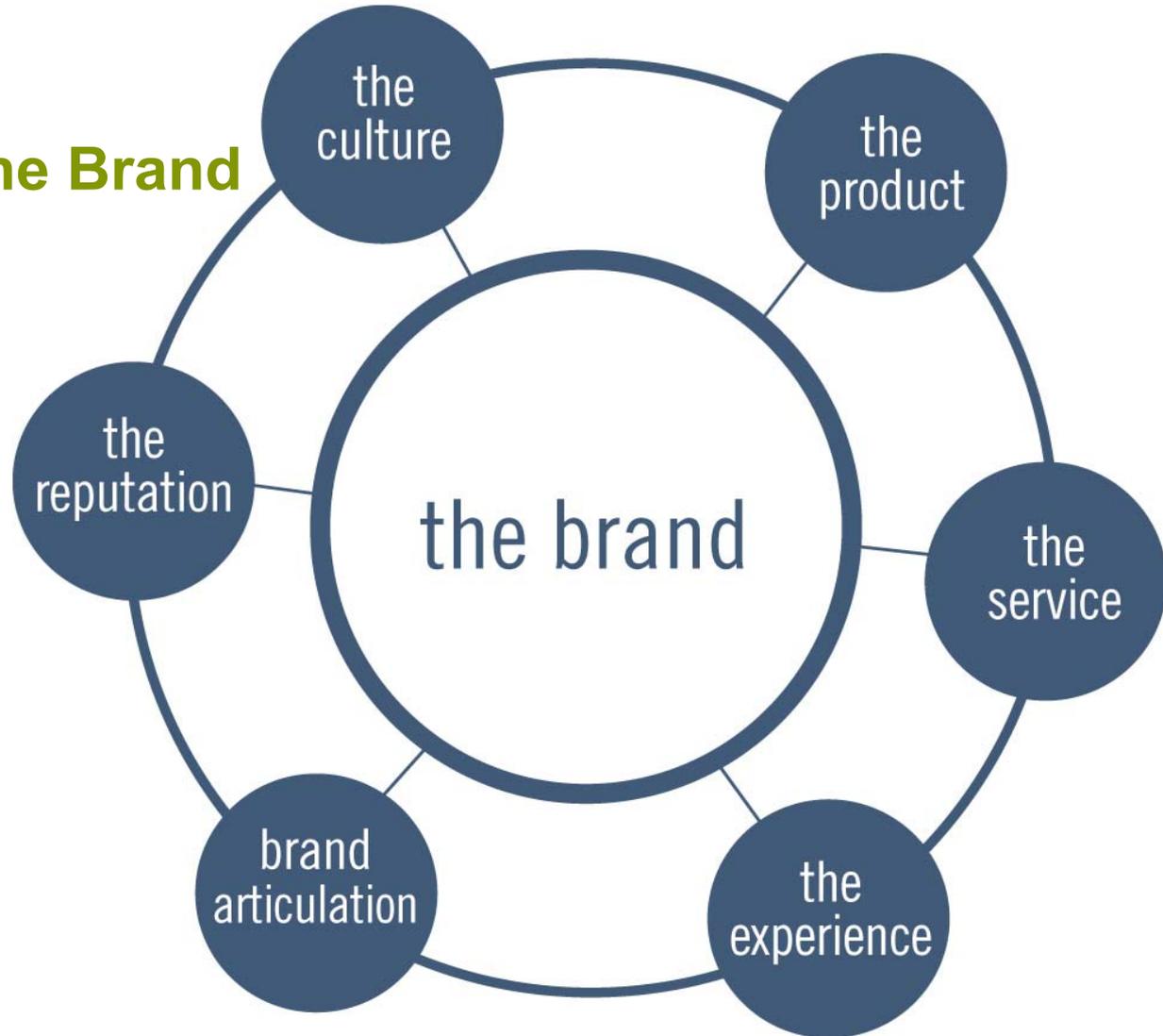
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Issue #2: Brand vs. Branding ... They're Not The Same

- It is **THE** company or organization ... it is every offering, touch-point, experience.
- It is **NOT** the logo, ad campaign, collateral, web site ... that's marketing communications.
- It is a gut feeling about a product, service or company. It's an emotional, intuitive reaction not necessarily based on anything rational.
- When enough people arrive at the same gut feeling, a company is a **BRAND**.

What Contributes to Brand Creation?

Vision + Reality = The Brand





**Brands lacking emotion aren't brands at all ...
they're just legal entities dripping with ambiguity.**



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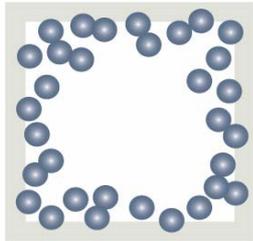
Issue #3: The Corporate Vision: Where Clichés Meet Boredom

- *Classic Vision Statement:*
BCGroup, Inc.
- *Personified Vision Statement:*
AVYVE

Our vision is to provide leading edge technology solutions and superior services that enable our customers to best showcase their offerings and/or be entertained in a state-of-the-art environment, whether at work or at home.

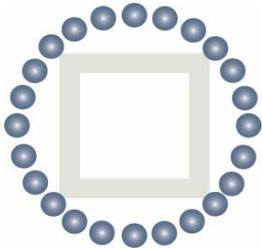
I Am Avyve: a vibrant, passionate company that loves the magic I create for clients using the most sophisticated audio/visual systems available. I literally make a room come to life ... whether it's a corporate board room or a private theatre in someone's home.

Issue #4: Getting & Using Market Insight



Inside/Out

Facilitated session with key management on objectives/goals of the company. Determine inconsistencies & obstacles for success.



Outside/In

External primary & secondary research on market potential, obstacles & opportunity.

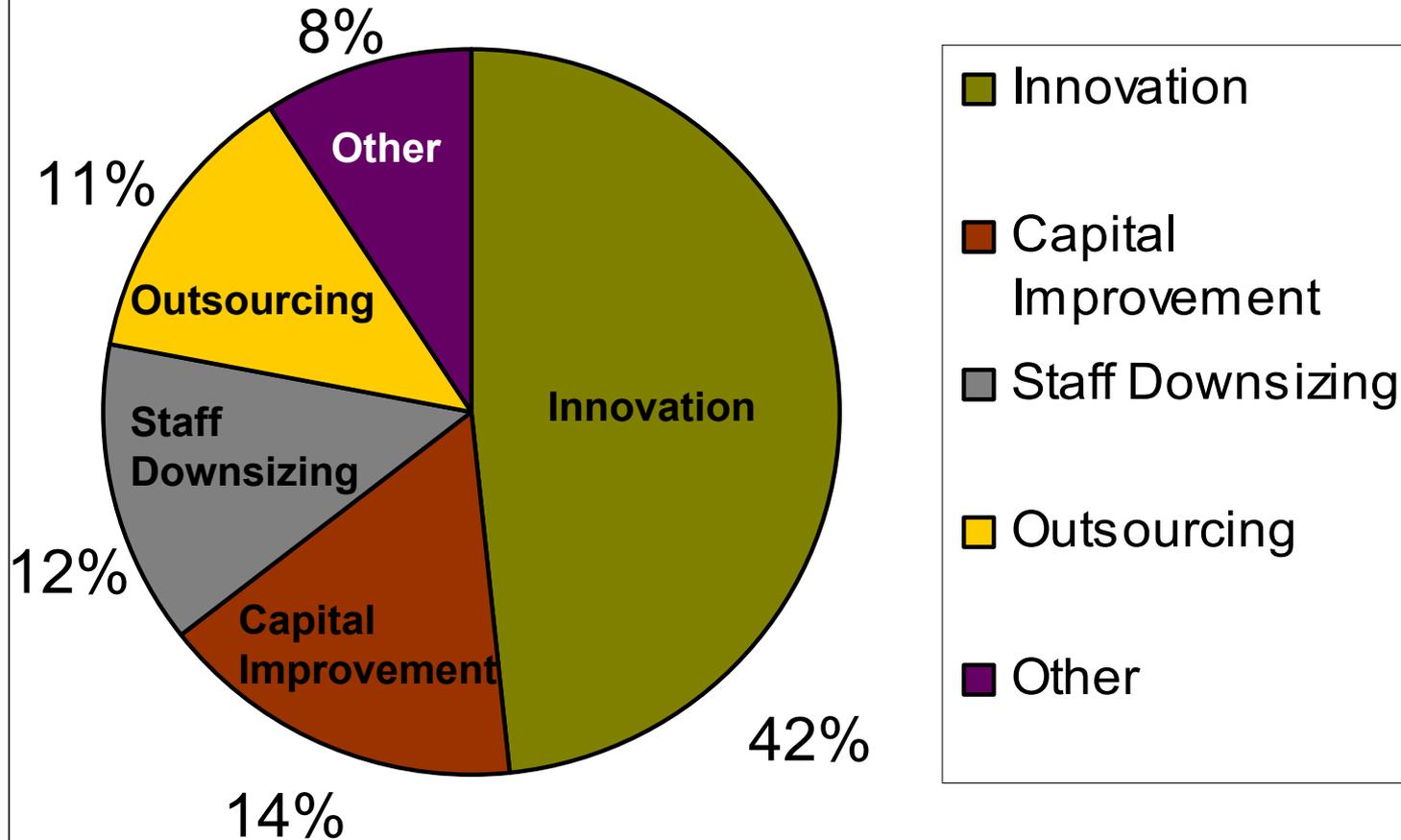


Brand Collaboratory™

Virtual “Board of Advisors” with diverse & appropriate backgrounds to brainstorm & problem solve.

Issue #5: Creating an Environment of Innovation

What is fueling productivity?

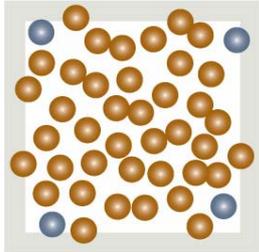


Source: "2005 National Innovation Survey"
Council on Competitiveness

Issue #5: Creating an Environment of Innovation

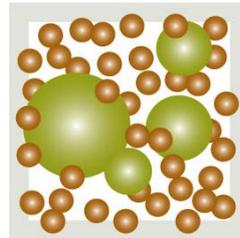
“Research is the translation of money into knowledge, whereas innovation is the translation of knowledge into products and services that add value. You have to combine the two components ... innovation is ultimately the integration of information from different parts of the organization (and from outside the building). The question is, which ones do you focus on and deliver to the marketplace?”

*Ralph Katz, Professor of Entrepreneurship & Innovation
Northeastern University's College of Business*



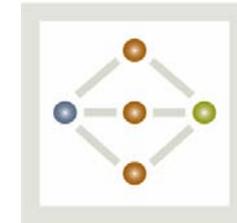
Lots of Ideas

Developing a comprehensive list of options ... from product ideas to creative tactics.



Game Changing

Refining ideas to identify those with the most opportunity to make a dramatic impact in the market and for the company.

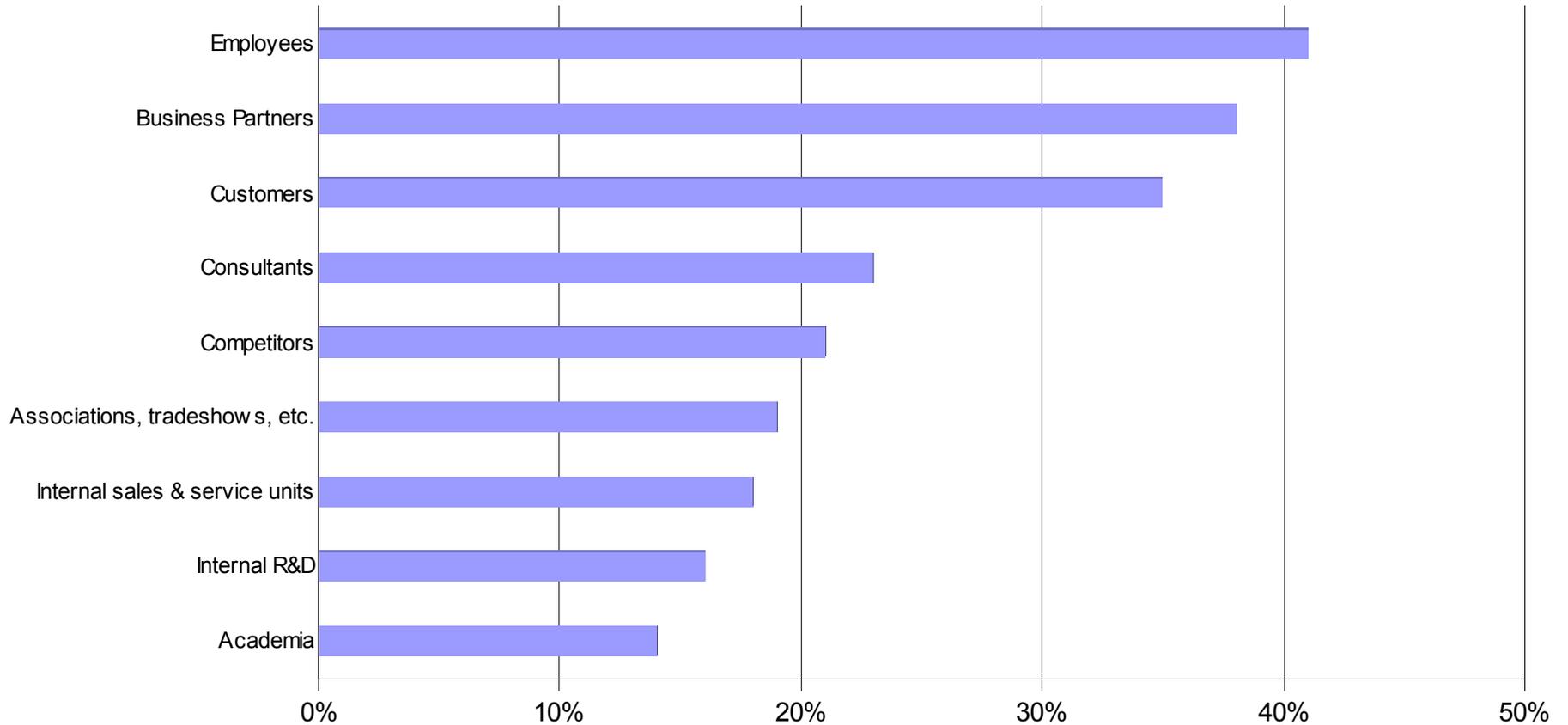


Decisioning

Process of researching and evaluating the many options available to determine the best course of action.

Issue #5: Creating an Environment of Innovation

Most Significant Sources of Innovation Ideas
(percent of respondents)



Source: 2006 CEO Survey, IBM Business Consulting Services

Issue #5: Marketing Strategies



- A discipline that combines science and art to produce bottom line financial results for a company. It does that by ...
 - Inventing products/services ideas that, when sold, have value in the marketplace **(product)**
 - Ensuring these products are competitive and profitable **(price)**
 - Using the best channel of distribution available to reach the consumer **(placement)**
 - Establishing a positive name recognition/image by promoting the product in a way that motivates behavior **(promotion)**

Issue #5: Marketing Strategies - A Supply Chain of Innovation



Issue #5: Marketing Strategies

- Great marketing causes epiphanies:
 - It can help customers think one of two things -

“Ah, I see! I really want that! In fact, I need it!”
(This is raising crisis.)

- Or -

“Oh. It isn’t nearly as hard as I thought. I’ll do it!”
(This is lowering the perceived pain of adoption.)

Issue #6: Branding - Creating the Right Emotional Experience

The value of a **BRAND** (b) is equal to the product of its **RATIONAL** (r) elements and **EMOTIONAL** (e) elements squared, divided by **PERCEPTION** (p).

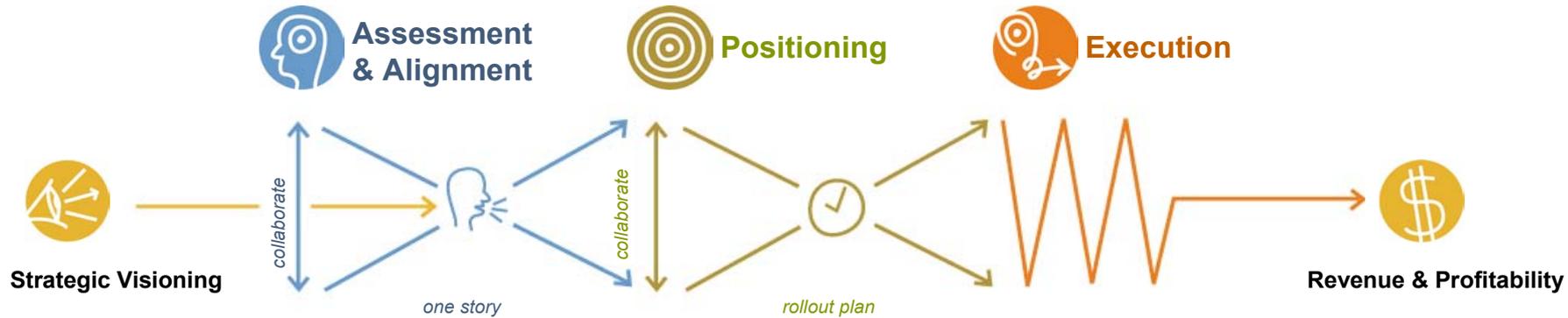
Net, net ... **EMOTIONAL BRANDS CREATE VALUE!**

$$b = \frac{re^2}{p}$$

How are Brands Articulated?

- **Distinctive** - does the brand expression stand out from competing messages?
- **Relevant** - is the brand expression appropriate for its goals? Does it grow naturally from the DNA of the brand?
- **Memorable** - can people recall the brand or brand expression when they need to?
- **Extendible** - how well does the brand expression work across media, markets, industries? Does it have “legs?”
- **Deep** - does it have the ability to communicate with audiences on a number of levels? Some are drawn to information, others to style and others to emotion. Does the brand expression create connections for more than one level?

Issue #7: Driving Strategic Visioning To Sales Execution



Strategy

Deliverables

Opportunity Assessment

- Marketing Needs Analysis
- Industry Trending
- Growth Options

Value Prop Articulation

- Value Prop Validation
- Segmentation Planning
- Resource Planning

Go-To-Market Management

- M&A Integration
- Organization Change
- Product/Service Rationalization
- Pricing Strategies
- Strategic Alliances
- Channel Development

Brand

Deliverables

Differentiate & Position

- Competitive Analysis
- Positioning Gap Analysis
- Executive Alignment

Brand Articulation

- Go-To-Market Strat Plan
- Messaging Hierarchy
- Brand Visual Concepts

Internal & External Brand Building

- Branding Campaigns
- Sales Support Tools
- Public, Analyst & Financial Relations
- Interactive/Web
- Customer Communication
- Trade Shows
- Internal Roll-Out

Sales

Deliverables

Sales Audit

- Sales Effectiveness Assessment
- Sales Confidence Study

Field Execution Planning

- Executive Alignment Session
- Implementation Architecture
- Training Road Map

Messaging, Training & Coaching

- Training Workshops
- Field Coaching Tools
- Reinforcement Modules
- Sales Manager Coaching
- Measurement Scorecard

In Conclusion: Today's Market-Savvy Executive Understands ...

- Your team must be able to explain the organization through stories that captivate imagination and create a visual image/metaphor.
 - *If your team needs a white board and 30 minutes, the message is “we’re a generic company with no imagination or innovation.”*
- Your team must have access (internally & externally) to creative business thinkers that put innovation, competitive dominance and customers first.
 - *When too much time is spent psycho-babbling the insignificant or fighting turf battles, everyone loses.*

In Conclusion: Today's Market-Savvy Executive Understands ...

- Value propositions are created internally and validated externally.
 - *Executives who say they know their customer and market better than anyone else, yet, have no mechanism for non-biased feedback are breathing their own air.*
- Organizations must encourage access to customers and customer-facing employees to seek out issues and opportunities.
 - *People are people ... we all want to be heard ... and we all have ideas, if just asked.*

In Conclusion: Today's Market-Savvy Executive Understands ...

- Big ideas ... whether new products, new markets or new creative campaigns often need outside influence to push thinking and barrier breaking
 - *The more dominating the leadership, the more closed the creative process ... outsiders can provide the unemotional facilitation needed to move things forward.*
- It does not take a village to envision a brand's potential. It does take a village ... and motivated employees/partners/customers to make the brand promise a reality.
 - *It takes a select, compulsively curious and amazingly persistent group of people to make bold decisions that move companies.*