

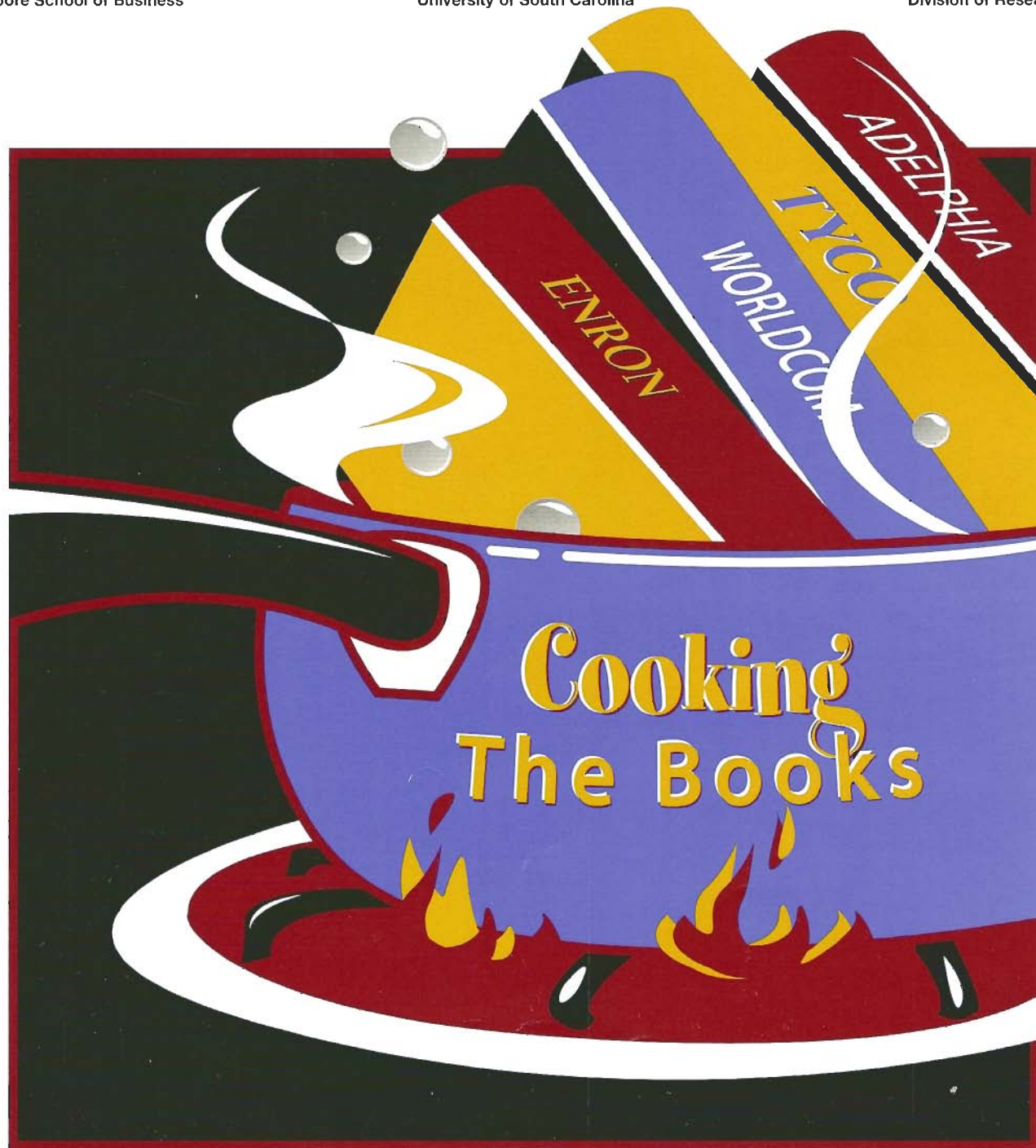
# Business & Economic

April-May-June 2003 R E V I E W Volume 49, Number 3

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## The Renaissance of Marketing

Kenneth A. Fox

“An objective viewpoint suggests the marketing function will be transformed and have a more focused role that involves strategic management.”

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**M**arketing as we know it, say many experts, is dead or dying.<sup>1</sup> Others declare that if marketing isn't dying, it's changing dramatically. Among the factors cited are:

- Advertising lacks strategic direction.
- Advertising is losing credibility.
- Marketing is not focused on delivering customer satisfaction.
- Tactics are not executed effectively.
- Information technology is changing everything.

Start-up companies have emerged, founded by innovators or technical people with few or no marketing skills who decide either to outsource their marketing activities or do little of their own. Large companies, looking at short-term profits or internal process improvements, may lose sight of a needed strategic direction. Regis McKenna, in his book *Total Access*, writes that “tactics have replaced strategy.”<sup>2</sup> In their book, *Execution*,<sup>3</sup> former GE executives Larry Bossidy and Ram Charan conclude: “Strategies most often fail because they aren't executed well.”

Authors Al and Laura Ries say “advertising is not believable because the consumer perceives it to be biased.”<sup>4</sup> They also argue that “advertising is the voice of the seller. To the prospective buyer, advertising has no objectivity.” Sergio Zyman, a former vice-president of marketing at Coca-Cola USA, says that “the sole purpose of marketing is to sell more to more people, more often, and at higher prices.” Marketing doesn't focus enough on customer satisfaction, say the critics, and marketers are being pressured by cost reductions and other internal efficiency and profit-driving programs.

Even the traditional brand manager position is being questioned and re-evaluated at companies like Procter & Gamble. Public relations, in the form of news releases, product reviews, and new product announcements on the Internet and in magazines and newspapers, are being used more than ever to introduce new products and create credible company news and brand imagery.

So, where exactly is marketing going? Will this function stay intact, or will it transform, dwindle in scope and responsibility, or disappear?

### A Strategic Focus

An objective viewpoint suggests the marketing function will be transformed and have a more focused role that involves strategic management. These new marketers will be responsible for some of the traditional

marketing functions (i.e., advertising, promotion, and market research). But marketing professionals of the future will also need to take a more active role in developing strategies and guiding the tactics that are consistent with those strategies.

Marketing in the future will look something like this:

- Management's short-term, revenue, or profit-generating focus will no longer overlook strategic thinking.
- True innovation will be the driver. (Too many new products today are simply extensions of existing lines.)
- "Services" will become more important and will represent a potential competitive advantage.
- Communicating the intended brand's positioning, message, and image will become more challenging.

The recent scandals at Tyco, ImClone, WorldCom, and Enron suggest that too many business leaders were thinking more about profits than about meeting customer needs. Too many "dot-coms" introduced technologies or services that were not needed or well thought out, or did not offer a real benefit that was worth the additional price to the customer.

As global competition increases, companies will rediscover the need for "true" innovation. Cross-functional teams can play a key role in identifying, assessing, and presenting business-building opportunities to executive management. A redefined marketing function represents a good choice to lead these teams, to facilitate good communication, and to sell new ideas to top management.

### **New Professional Roles**

The titles of future marketers are likely to change. Some titles worthy of consideration include Director of Portfolio Assessment, Director of Business Strategy, Director of New Marketing Opportunities, and Director of Strategic Initiatives.

These new marketing executives will have staff members to whom they delegate functions — such as new business searches, competitive intelligence, market assessments, communications, promotion planning, and implementation of tactics. They will tap, when needed, specialists in finance, promotion, public relations, advertising, packaging, and manufacturing. Their role will include new idea generation and strategy development. As their ideas are screened and assessed by management, the new ideas will be funneled to brand managers who themselves will have redefined roles, and who will execute and optimize plans according to strategies developed by these new marketing leaders.

### **Branding and Banding (Together)**

Marketing is already changing across a wide range of companies and industries. One example is the increased

use of "branding" services, such as Dell Computer's "Complete Customer Care." The additional emphasis on service is also demonstrated by the increased implementation and tracking of "customer satisfaction" surveys, even by small- and medium-sized companies. Typically, these smaller companies cannot afford the often expensive and large-scale quantitative studies implemented regularly by large corporations, but they are finding that measuring customer satisfaction in some form is useful and helps them assess the true value of any "value-added" services.

Another marketing trend involves aggressively searching for alliances or license agreements to generate innovative new offerings. This type of effort is exemplified by the success of Cool Mint Listerine PocketPaks Oral Strips, a product that has revitalized the mature Listerine brand by licensing a proprietary technology from a Japanese company and transforming it into a new and very convenient form of oral care. Pfizer's Consumer Care Division also effectively used public relations for its Oral Strips brand by issuing a Dec. 4, 2002, press release declaring PocketPaks' "First Anniversary" and highlighting its success.

Other examples of companies forming new alliances (often representing disparate partners or product categories) include the testing of RadioShack kiosks in Blockbuster retail stores and Dunkin' Donuts' foray into setting up full-service counters in Home Depot Stores.

Then there is the upscale Fairmont Hotel chain, which has teamed up with the German carmaker Porsche to offer \$8,000 "Tour de Fairmont" packages. This package includes four nights in a Fairmont Hotel suite, the use of a Porsche Boxster convertible, an insulated Porsche wind jacket, access to the hotel spa, golf services, picnic lunches, and a rally-style drive from San Francisco, among other amenities.

Other new marketing efforts include the increased integration of technology. One example includes the practice of "data mining," or searching and analyzing internal, external, or integrated databases to help identify new customer opportunities and market insights.

The roles of many e-commerce departments are also evolving to help optimize specific "brand" and service marketing efforts. The use of cross-functional teams is increasing in order to facilitate tapping into these new approaches and technologies and to facilitate and speed communication, new product development, and commercialization. □

### **Endnotes**

<sup>1</sup> Zyman, Sergio and Brott, Armin, *The End of Marketing as We Know It* (New York: John Wiley & Sons, 2002), xii.

<sup>2</sup> McKenna, Regis, *Total Access* (Cambridge, MA.: Harvard Business School Press, 2002), 1.

<sup>3</sup> Bossidy, Larry, and Charan, Ram, *Execution: The Discipline of Getting Things Done* (New York: Crown Publishers, 2002), 95.

<sup>4</sup> Ries, Al and Laura, *The Fall of Advertising and the Rise of PR* (New York: HarperBusiness/HarperCollins Publishers, 2002), 15.