



Marketing Strategy, Wherefore Art Thou?

by Laura Patterson, Tuesday, September 7, 2010, 5:00 AM

Where have all the marketing strategists gone? Perhaps the downturn has forced marketers into a more tactical mode; perhaps the lack of strategy is due to leaner teams trying to execute more for less. Whatever the reason, marketing strategy seems to have all but disappeared from the marketing skill set. And this gap has huge implications for marketing effectiveness. When strategy is neglected, the price paid is beyond just dollars out the door; the price comes in terms of fewer opportunities from the target market, lower inquiry rates, and fewer sales conversions.

When asked what strategy is being deployed, we often hear marketers say the strategy is social media, or direct marketing, or public relations, or advertising. These are not strategies -- they are tactics, and each of these tactics can potentially be deployed to support any number of strategic options.

The marketing planning season presents an opportune time to get serious about strategy. Strategy is how the organization is going to achieve its mission. Marketing strategy is the critical link between marketing objectives and marketing programs and tactics. Strategy selection provides focus and enables an organization to concentrate limited resources on building core competencies that create a sustainable competitive advantage to support pursuing and securing the best revenue opportunities. It provides the guidance and direction for channeling the organization's marketing resources in order to generate market traction, penetration and dominance.

So if PR, collateral, events, and direct mail are tactics that can be used to drive awareness, consideration, and preference, what are examples of marketing strategies? The vast number of

potential strategies cannot be listed here, but we can explore some of the more common strategies and strategy selection criteria.

For example, three common product strategies used by both B2B and B2C organizations are trial, product placement and bundling. Trial is essentially the opportunity to evaluate and experience a product prior to committing to purchase. Trial can take the form of a sample (often used in consumer packaged goods), evaluation or test drive (which, for example, is used in the software and the automotive industries).

We are all familiar with product placement when it comes to seeing cars, computers, and phones, etc. in television shows and/or movies. But product placement strategies can be deployed by B2B firms just as successfully, such as placing products (medical device, computer, software) as teaching tools within an academic environment.

Bundling involves offering several products for sale as one combined product -- again, a strategy commonly used in the consumer packaged goods environment (toothbrush, toothpaste, mouthwash all in one package) and technology industries (software plus computer) and automotive industries (subscription-based communications, in-vehicle security, hands-free calling free for a year when you buy the car).

Other common strategies used by B2B and B2C organizations involve people, such as third-party endorsements, seals of approval, celebrities, customer testimonials, etc. or grassroots efforts (where other people become interested in, excited about, or supportive of your organization/product/service and then help create market momentum).

And a third category can involve the market such as divide and conquer, stepping stone, tipping point, and kingpin strategies. A tipping point strategy essentially entails tipping from one point of equilibrium to a different point of balance -- the idea here being that an organization can create a tipping point by capturing enough of a particular market so that other segment members gravitate toward your organization/product/service. An alternative strategy is a kingpin approach where you focus on capturing those customers that have the greatest control in a segment and once you acquire them the rest follow.

Consider these five criteria when selecting your marketing strategy.

1. **Impact** The proposed strategy must conclusively demonstrate that it will contribute to the achievement of the specific marketing objective.
2. **Proven** The proposed strategies should be firmly grounded in evidence-based research that indicates the likelihood that the strategy will work
3. **Context** The proposed strategy should take into account the current environment (business, political, social, market climate and dynamics)
4. **Feasible** How capable is the organization of successfully carrying out the proposed strategies
5. **Appropriate** The proposed strategies should be consistent with the organization's mission, culture, business processes, etc.

It's easy to fall into the habit of just trying to keep the gun loaded. But rushing to implement marketing programs and tactics in the absence of strategy is setting the stage for potential failure. As marketers, you will leverage various marketing channels, from digital marketing to public relations, to traditional advertising and others to implement the strategies. So while each of these tactics may be appropriate, they won't take you far without a solid strategy.

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