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Top of Mind

Perspectives and Commentary

Internal Alliances Yield Outside Wins

IT'S all about relationships in today's business world, and for marketers, that usually translates into a mandate to get closer to the customer to solidify the loyalty that helps drive top-and bottom-line growth.

Meeting that mandate, however, is often easier said than done. As *The Economist* recently noted: Of 174 senior financial services managers polled, 14% said customer relationships were stagnant, and only 22% believed their customers would recommend their services to friends or family.

Senior marketers should realize the path to better customer relationships starts at their own back door. There's considerable common ground to be explored with the other divisions charged with driving business growth.

RECONNECTING CORPORATE AND BUSINESS UNIT

Start with the often dysfunctional relationship between Corporate and Business Unit marketers, with the former decrying the latter's typical resistance to high-level, organization-wide initiatives—say, a sweeping change in brand strategy. By turn, Business Unit execs grouse at the impracticality of it all, when their charge is to get more product in customers' hands—yesterday. And in the interim, their marketing agendas are sub-optimized.

Despite differing charges, both teams share the common goal of enabling the business to forge the customer relationships that spur growth.

Such concerns led General Electric to test an important rebranding initiative in two of its Business Units to gauge internal and external implications before rolling it out to the full organization. A smart move, it allowed GE to work out the kinks, foster relationships within the units, and guide the strategy's meaningful implementation on a broad basis. This



By Michael Dunn

collaborative approach was critical to the success of GE's highly lauded re-positioning around "Imagination at work."

Corporate marketers need to recognize the real-world practicalities of the BUs' work. This may mean adopting a more bottom-ups-up tack that enables Corporate marketing to identify and leverage synergies across the BUs to create cost savings and efficiencies. Likewise, the BUs should incorporate more of a top-down perspective. Understanding how their individual brands and messages fit within the overall corporate portfolio will enhance their credibility and standing beyond their own spheres of influence.

FORGING ALLIANCES WITH IT

Technology more than enables marketing's programs; it is a strategic weapon and a critical differentiator. A better merging of marketing's and IT's efforts will help both achieve their shared mandate of supporting and driving business growth.

IT's capabilities and insights are essential to enhancing customer relationships. Its information systems can help marketers better segment customers, design meaningful loyalty, ROI and share-of-wallet metrics, and improve pricing models. And IT's vision of technology's evolution and capabilities is advantageous in devising leading-edge ways to get closer to the customer.

Technology helped Best Buy to break out its most profitable, "angel" customers from the costly "devils," to modify offerings that encourage more purchases from the former and discouraged the latter's bad habits. It led 7-Eleven to an intricate information network allowing individual stores to adjust inventory to customer tastes. It facilitated BMW's bid to "mass customize" with its highly successful, design-it-yourself-online capability for the Mini Cooper.

CONNECTING WITH HR

Marketing and HR professionals need each other to survive and create sustainable change inside and outside the organization. Because HR works primarily with a company's employees and new hires, its reach is cross-functional and company-wide. When it comes to brandbuilding from the inside out, marketing and HR should work together. Training new hires about a company's history, vision and key objectives helps them understand the business and

its customers, creating a new breed of brand ambassadors from their first day on the job.

It's not enough for marketing to request HR's help in implementing brand values or creating new tools for internal marketing purposes. By becoming philosophically aligned, it becomes a

shared objective to attract and retain employees who understand their role in upholding the brand and delivering on its promise.

The reality is that every discipline and function in the organization should play a role in driving and supporting business growth. Implicit in that is the need to put the customer front and center. By stepping out of their silos to explore where interests, skills, capabilities and business needs could be better aligned in a mutually beneficial way, senior marketers can set up themselves—and their peers in other disciplines—for wider success.

Michael Dunn is CEO at Prophet, a San Francisco-based global consulting firm specializing in the integration of brand, business and marketing strategies. Contact: mdunn@prophet.com.

