



## Marketing Network News

*Marketing is the only function to connect a business from first idea to customer use and satisfaction.*

*Welcome to the MarketFrames™ Marketing Network News, providing quarterly insights on efficient and effective marketing and the marketing approach that makes it happen.*

## Outlook: Challenges and Opportunities for your Company

Many companies today are looking for ways to unleash innovation and identify opportunities for sustainable, profitable growth. Other companies are under intense pressure to lower costs and increase effectiveness. In both cases Chief Marketing Officers (CMOs) and Marketing Vice Presidents are in the spotlight to address both the challenges and the opportunities. If you embrace change as an opportunity for innovation and transformation, then you can overcome internal and external obstacles to attain sustainable, profitable growth through better marketing.

Some of the typical challenges facing product and services companies today include:

- Reductions in marketing budgets or staffing
- Increasing demands for accountability on marketing spend
- Commoditization of products and services
- Emerging competitive threats
- Channel consolidation or restructuring
- Company mergers and acquisitions.

At the same time, opportunities abound:

- Greater market impact and marketing effectiveness
- Greater marketing efficiency and ROI
- Optimizing marketing processes and structures
- Enhancing Marketing Cost Envelope management and accountability
- Optimizing channel partner or marketing agency utilization
- Commercializing new technologies or services
- Developing compelling business plans to unleash innovation.

Now more than ever, running an efficient, effective and responsive marketing organization is vital to achieving performance and capitalizing on opportunity. Getting there may require significant change - change in your organization structure, asset management, processes, or in the management of knowledge. But these essential changes to your marketing capabilities can be the key to current and future success.

## Marketing Network News Top 5: How Marketing Leadership Must Manage in 2009 to Survive and Set the Stage for Growth

In this environment of economic downturn and challenge, marketing organizations are under great pressure to cut back on activities, investments, headcount, and expenses. What can marketing leaders do right now to make the best of this difficult time, plan for the near-term, and set the stage for growth?

- **Smart Reductions in Line with a Design:** Many companies will have to make cuts over the next few quarters. If reductions are not made according to a well-prescribed design or blueprint, you'll be left without vital assets and capabilities when most needed. Confirm that your end-to-end marketing team has just the right roles, responsibilities, and skills. You'll need to be even more effective (and not just efficient) in how you use your people and resources.



Coming in March 2009 – “Supporting Profitable Growth by Solving the Marketing Problem,” a MarketFrames white paper.

- **Know the Flow:** Redouble meaningful Marketing Cost Envelope (MCE) efforts. The payoff from thorough spend inventory and analysis combined with clear planning will have a big impact later. Pay attention to closely aligning spend with strategic objectives. And identify and protect a few marketing priorities for growth; these priorities need to be maintained now to be ready as business turns upwards.
- **Leverage Knowledge:** Ensure that you are using and leveraging the customer, industry, and market knowledge that already exists (and is already paid for) in your company. Your firm likely knows more than anyone realizes. Knowledge often simply needs to be located, organized well, and analyzed. Finding and using these knowledge nuggets now can both help survive the current times and position you better for the future.
- **Coordinate and Capitalize on Product Intros:** During the downturn, products still need to be launched. Ensure that introductions are aligned and coordinated so that you get the biggest bang for the buck. There are benefits on many dimensions -- less cost in getting a number of products to market, clear and more powerful messaging that spans across multiple products and services, and better engagement with your channel and sales partners as they build demand.
- **Drive an Efficient Network - both Internal and External:** Understand how to optimize the efforts of your entire marketing network -- internal, and especially, external. Ensure clear definition of your internal business objectives and communication briefs. And drive tight alignment on specific objectives with your agency networks so that all activities are effective and efficient. Using all parts of your marketing network - both internal and external - can be the key to making it through the current challenges and positioning for future growth.

## Learning Example: Unified Value Proposition

### Challenge

A Fortune 500 manufacturing company needed help in their consumer business. Through acquisitions and entries into new categories, their consumer product offering consisted of a loose federation of product lines. The synergies intended from the acquisitions were not being realized, and the company was missing the opportunity to differentiate and leverage its unique portfolio of consumer categories and solutions.

### Solution

A MarketFrames team with extensive experience in multi-divisional product and consumer business planning joined with the client's marketing leadership to develop and deploy a unifying value proposition for the business.

Work began with an extensive scan of relevant markets, examining the global and macro trends and dynamics that defined the key forward-looking opportunities for the business. Next, the team guided the synthesis and testing of multiple market-driven candidate value proposition concepts, while facilitating a comprehensive internal asset and core competency assessment across operating divisions.

### Results

The insights from these exercises enabled the development of a unifying value proposition for the broader business that was built upon the sustainable core capabilities of the company. And by providing a framework for mobilizing the broad, multi-entity organization around the defined value proposition, the client's internal assets were aligned. The business now competes on a platform that makes more efficient use of internal resources, provides differentiating consumer value, and enables clear, consistent marketing and communications.

MarketFrames helps clients build and manage efficient and effective marketing organizations.



MarketFrames Group LLC | 1231 NW Hoyt Street, Suite 101 | Portland, OR 97209  
(503) 892-0160 | [www.marketframes.com](http://www.marketframes.com)

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