

Evolve: Marketing as we know it is doomed

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HESSIE JONES and Daniel Newman explain why the traditional marketing model is dead and why CMOs must challenge organisational structures

This has been happening for a while, and whether or not marketers choose to see the change that's developing within the landscape, they need to realise that this "seismic shift," as my co-author, **Daniel Newman**, likes to call it, is going to mandate changes to the way that practices have traditionally functioned.

When Dan and I wrote *EVOLVE*, we had already been practicing much about what the book preaches. But there is a gap that continues to exist in the market where many marketers continue to eschew these new practices, either because there isn't enough evidence of their effectiveness or simply because they don't know.

Industry changes have been dictated by technology, which—in turn—has strengthened the consumer voice. The direction of the message being controlled by the **marketing** organisation is no longer the case. The new customer actually mandates this evolution.

The always-on customer in an always-on economy

Social media has ensured that **marketing** has no control over the **marketing** message, but one-way push communication doesn't work in a vacuum. Customers aren't waiting anymore. Loyalty is elusive. **Brands** are more vulnerable than ever before.

McKinsey recently noted, "The buyer is in control of their journey—60-80 percent of the buying journey is self-directed... others will have you believe that they will **design** the journey for the customer. Bullshit... the customer will **design** their own journey—we all have our own path—and the capabilities need to be able to react and flow to that path."

This new path implies the following:

- **Ad performance continues to decline.** People don't respond to online ads as much anymore.
- **Customers are listening and reacting** more than ever before, scrutinizing every move

that companies make.

- **Access proliferation puts the customer in an active role** that allows them to take control over what they buy through search, friend recommendations, site reviews and text/chat communication.
- **Customer expectations have heightened.** The customer demands convenience and ease of purchase and service. This new omni-channel requirement assumes a unified communication channel across all customer touchpoints. I, as a customer, expect that when I buy something online, I can also return it to the nearest store and not have to worry about once-painful return processes. I would also expect that the customer service agent can track down my purchase, regardless of where I made it.
- **Mobile enables the shortest path to purchase.** Smartphones have become an imperative, especially among millennials. They have become the medium that allows them to search, retrieve recommendations, do price comparisons and make purchases. Peer and family recommendations via mobile are important influences.

The marketer must now respond to these expectations and develop strategies and solutions that will optimize the buying experience at each stage of the buyer's journey.

Marketers are getting it... slowly

Customer centricity is back, and it's back for good. The demands of the customer are paramount these days. The phrase "mass customisation" has now enabled companies like Nike to give people the features what they want (in style, color and **design**)—highly customized, but within very efficient pricing.

Data will play a much bigger role to inform customer propensities, needs and behaviors. More importantly, it gives us the ability to make predictions on buyer outcomes. Customer value will take on a much different view apart from just transactional information. **Social** data will be able to provide a stronger profile view that will inform targeting and messaging strategies.

What this means is that the role of the CMO will change. The CMO and CIO will be highly integrated functions that will help provide continuous insights from the market. The CMO will begin to own more of the customer journey, from acquisition to retention and engagement. This will require much more customer experience accountability.

This customer will play a vital role in co-creating alongside the organization to help define product features, improvements and service augmentation. By not only truly understanding the customer, but also allowing them into the company fold, organizations will develop a certain agility that will make them more responsive and effective.

As they say, the more things change...

While there is an urgency to change, many things will take time to evolve to this new way of doing things.

Truth be told, mass channels will continue to drive awareness. Those **brands** that can still

afford these channels will dominate in their use. There is no doubt that TV is still a strong medium, but its value will predominate with this idea of convergence, where consumers have the ability to consume programs on multiple platforms, formats and devices on their own time. On-demand programming and channels like Netflix are already strong purveyors of convergence. This not only creates an extension of the **brand** message, but it also strengthens the awareness and conversion probabilities.

Siloes will also continue to exist, particularly in large enterprises. Finance services and manufacturing are known for duplication of process and duplication of customer. In most cases, the left hand does not know what the right hand is doing. This will, by far, be the biggest uphill battle for most organisations.

In addition, community will continue to be a function that sits outside of the organisation and within the agency structure. **Brands** continue to see community largely as a function of campaigns and not sustainable engagement to support reputation and enhance customer service. Community cannot subsist within the agency environment. It needs to live within the organisation in order to be effective.

Is marketing doomed?

In the traditional sense, yes. **Marketing** has always been about communication and control over the message. We live in an environment where we have to rethink approaches to the customer and not stop at the point of acquiring them. Retention will become much harder as the customer becomes more elusive. Marketers have to stay on top of the channels and technologies, and more importantly, they have to understand and adapt to the way consumers are communicating through them.

As **marketing** progresses, there is a glimmer of hope that it will morph into this new discipline that will benefit both the organization and its customers.

Excerpt from the book

What is return on trust? Is it a real metric? If I were a business and I knew that by gaining the support of a key group of influencers we could achieve greater success in word-of-mouth **marketing**, would I make gaining their support a priority? You are darned right I would. As I mentioned above, 90 per cent of buyers trust a network referral, leaving us as businesses to ask, "Who represents the network and how do I gain the support of those influencers to evangelise my business?"

What is crazy is that even though 98 per cent of business owners say that word of mouth is their lead driver of new business, only 3 per cent have a strategy to capitalise on this. In short, what this means is that most businesses simply aren't pursuing the support of the **brand** influencer, begging the question, "Why?"

Why go through the heavy lifting of building trust one by one when you can build a virtual army of ambassadors to support your **brand**? Is it too difficult? Perhaps you don't know where to

start.

What if I told you that a group of loyal supporters is right there in front of you? There are those already buying from you, and those that have worked with you in the past and had good experiences. While they may not be able to bring you all the business you can dream of, they can each bring one, or a few, and suddenly...you have arrived.

In the new economy this is all possible; to build a business where clients are banging on the door because they want to work with you. It may seem impossible, but it isn't. We are in a new economy with new rules that favor not those who have done it longer or spent more money, but those who know what their customers need and how to deliver it to their satisfaction.

About the authors Hessie Jones: As a seasoned **digital** strategist, Hessie continues to challenge the notion of complacency. With extensive experience in technology including start-ups, banking, **advertising** and **social** media, Jones has held management positions at Yahoo!, Citi, ONE **Advertising** and Aegis Media. Launch successes like Yahoo! Answers propelled her into the world of **social** media.

As an active blogger for Huffington Post, SteamFeed, **Digital** Journal and WhatsYourTech, Jones is a purveyor for understanding and adapting to change: in **marketing** practices, in communication and in understanding the evolving consumer mindset and behaviour. Currently, she is the founder of ArCompany, helping companies realise the value of **social** intelligence and its impact on the inevitable next level of **social** business. She's also a cellist, MBA guest lecturer, wife and hockey mom.

Daniel Newman: After 12 years of running technology companies including a CEO appointment at the age of 28, Daniel traded the corner office for a chance to drive the discussion on how the **digital** economy is going to forever change how business is done. Newman is an MBA, adjunct business professor, a Forbes, Entrepreneur and Huffington Post contributor, and a two-time author of best-selling business books, including The Millennial CEO and The New Rules of Customer Engagement.

With exposure to leading- edge collaboration and analytics solutions, Newman continues to evangelize and educate about the changes in the future of business and what business needs to do to adapt. Currently, he is the Founder of Broadsuite, a specialty **marketing** firm that helps companies be found, seen and heard in a cluttered **digital** world. He's also a pianist, soccer fan, husband and father—but not in that order.