

BY CLIVE REDDIHOUGH

MARKETING – THE KEY TO PROFITABLE GROWTH

There is often a lot of discussion, and possibly even some controversial debate, around the value of marketing and the contribution that it makes to a business. If the accepted definition of marketing is 'the management process responsible for identifying, anticipating and satisfying customer requirements profitably' then surely it's fundamental to running a successful business?

The government certainly seem to value the role marketing has to play in creating growth. The Growth Voucher programme launched earlier this year, where businesses can apply to get a voucher for up to £2,000 to help finance specialist business support, includes the provision of marketing support (from a Member of the Chartered Institute of Marketing). On the launch of the scheme Anne Godfrey, CIM's chief executive, said: "The marketing

advice available to SMEs as part of the Growth Voucher scheme will be particularly important as a company that understands its customers and knows how to engage with them will reach its full potential quicker than one that doesn't."

The scheme highlights how marketing, both in the UK and overseas, can help businesses boost sales and highlight growth opportunities. It also supports the view that marketing is critical to a

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company's customer base, sales figures and profit levels regardless of their size and industry.

So, with marketing being such a key factor in developing profitable growth what recent trends and developments are likely to have the most influence on a company's marketing strategy?

There is no doubt that consumer behaviour has changed. Whatever the product or service, online research has now become a crucial part of the buying process. Consumers take the time and trouble to seek out the best, impartial advice to help them make informed decisions. More than ever before, brands are having to earn their customers' attention, not just pay for it.

Traditional 'outbound marketing', such as TV advertising, radio, posters, offline and online advertising, is having to work much harder to be effective. We're all becoming less 'receptive' to the hundreds of marketing interruptions we get each day. How many of us skip TV ads, have decided not to open a piece of direct mail, deleted an email without reading it or actively avoided websites with 'intrusive' advertising?

This isn't to say that 'outbound marketing' doesn't have a role to play – it does – it's just that the emphasis has switched. Consumers actively search for content that they like, that interests them, or that they find useful. Liking or following the brands or people we are interested in on social media, and bookmarking the pages or sites we like on the internet, has become second nature to us.

That's why 'inbound marketing' – creating engaging, useful content that earns consumers' interest – has now become so important. It's also one of the main reasons why 64% of UK marketers intend to increase their spend on content marketing in the next 12 months.

In itself this has led to another development that marketers, and businesses really need to



be aware of – brand integrity has never been so important. 'Honesty' and 'integrity' have always been instrumental to developing a brand which consumers will trust and choose over and above others. These two key attributes need to be rigorously enforced, both offline and online, particularly in social media.

This is an issue that has received increasing media attention over the last 12 months following the discovery that celebrities, businesses and even the US State Department were found to be 'buying' bogus Facebook likes, Twitter followers and YouTube views.

The desire of individuals, businesses and organisations to develop their brand on social media has helped fuel the race to get as many endorsements as possible. All well and good where they are genuine, but not so good where their integrity could be questionable.

Take MasterCard's sponsorship of the Brit Awards where a PR company representing MasterCard, asked journalists to guarantee press coverage of their client as the price of being able to attend the awards. Before providing two journalists from The Daily Telegraph with accreditation to the event, House PR asked them to agree to a number of requests about the coverage they would give it, including the Twitter messages which they would like the journalists to send out during the course of the evening. Commenting on the story, Tim Walker from the Daily Telegraph said; "Going to the extent of drafting pro-forma Twitter messages shows the extent to which Twitter is being polluted by all this sort of stuff."

In March, it was discovered that Prime Minister David Cameron was found to be buying friends on Facebook – a Mail on Sunday report revealed that the Tories had spent thousands of pounds on advertising to encourage Facebook users to 'like' David Cameron's page. Marketing experts estimated that the cost of the campaign was around £7,500 and succeeded in boosting his likes by around 47,000 to 127,000, overtaking Nick Clegg's 80,000 in the process. Labour MP Sheila Gilmore said of the revelation; "It looks as if David Cameron is buying popularity. There is no end to his ego, paying for fake Facebook friends."

Successful marketing strategies need to take into account the powerful influence that online research has on the decisions that consumers make (including what's being said about brands in social media). Consequently, 'inbound marketing' – creating relevant and engaging content that earns consumers interest – needs to be a part of any business's marketing strategy. More importantly this content needs to stay true to the brand. Honesty and integrity are critical in creating a brand that consumers will trust and choose over and above others.

Whatever the key influences are on developing a successful marketing strategy it's good to see the role marketing has to play in an organisation's success is gaining the recognition it deserves through initiatives like the Government's Growth Voucher scheme.

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CLIVE REDDHOUGH

Fellow of the Chartered Institute of Marketing (CIM), Chair of CIM Kent Branch and managing director of FMS

T: 01732 526320

E: clive@fms-com.com

www.fms-com.com