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# IDEABRIDGE



The IdeaBridge White Paper Series:  
Case Study:  
Improving Marketing Effectiveness

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## CASE STUDY: IMPROVING MARKETING EFFECTIVENESS

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### Summary

A New York Stock Exchange company with dominant market share was not effectively utilizing its Marketing Resources. This case study deals with the ideas that were generated in an effort to focus on measurable results and cost reductions without impacting market perception or awareness.

### Conclusion

Tightening approvals, improving internal communication and establishing new protocols will improve your effectiveness, your response time and reduce your overall Marketing expenditures without negatively impacting market share or sales results.

### Related Themes

- The role of your advertising agencies and alternatives to your current agency relationships.
- The value of brand advertising and brand management to the organization.
- The approval and review process involved in advertising and product development.

### Current Situation

Marketing/Advertising campaigns are routinely initiated without a comprehensive business case outlining expectations versus actual results. While business cases are occasionally prepared, rarely are variances to anticipated results ever analyzed and widely distributed for others to gain important insights.

Despite over 95% market awareness and a position of industry leadership, \$2.8 million is spent solely on brand advertising. Product and Service print ads are placed in 120 different publications in 433 different configurations; each required as many as 75 internal and external reviews. The Marketing department produced or revised 110 brochures this year alone. Your Ad Agency is frustrated with your cumbersome approval process and second-guessing by Product Managers, Business Unit Leaders and other executive management that have no experience in Advertising and are changing programs on a whim. This hands-on involvement of non-marketing staff in the company's advertising and communication programs regularly disrupts the planning process due to frequent redirection or last minute run-arounds.

The lengthy process of gathering internal approvals has led many users of marketing services to literally walk their proposals and argue their case with one internal approval authority to the next. Many units, frustrated by the slow process, have simply developed their own "rogue" marketing programs as a work-around to your slow response time; marketing activities are now conducted in at least 36 different cost centers that you have been able to identify.

Your marketing strategy is vague as to whether you are a product or customer focused company. The primary role of your EVP-Marketing should be to develop a consistent marketing message that will result in a dramatic reduction in last minute run-arounds and false starts. An EVP-Marketing, with the clear authority to demand accountability for the campaigns of the product managers, will allow you to learn from your successes and avoid repeating your failures.



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### Proposed Redesign Description

Strict accountability and tracking systems for all Marketing and Advertising activities will result in migrating your marketing initiatives to those programs that can be readily tracked and monitored. Rather than building “share of mind,” your focus should be on those initiatives that have *proven* to result in product inquiries and sales. Refocusing your activities on *results*, will force you to eliminate many redundant approvals and unproductive procedures that simply get in the way of production.

The redesign we propose will still provide for the necessary flexibility to continue some initiatives where quantification of results has previously been difficult to track. If a particular program is mission-critical to your core strategy, you will develop simple methods to track its effectiveness, even if the initiative cannot be directly linked to an inquiry or product sale.

The Marketing redesign may involve some organizational consolidation of the “rogue” marketing units, select Product Managers, Communications and Market Planning departments.

### Some of the ideas under consideration are as follows:

- Redirect your activities and initiatives on *measurable* segment/product advertising, rather than brand/image advertising. With over 95% market awareness and a position of industry leadership, the direction of the advertising effort should target those activities that can be directly linked to results and *product sales*, not “share of mind.”
- Reduce the advertising agency’s responsibilities by using two agencies – one as the “creative specialist” and the other for simple, routine updates and reprints. Further, you should outsource media buying and production-checks to save agency commissions.
- Eliminate the time spent on developing programs for special events/promotions that do little to provide measurable product or service sales results. Events, promotions and seminars that have proven to be chronic non-producers should be targets for dramatic scale-back or complete elimination.
- Changing the sales message less frequently in your division offices will reduce the amount of time necessary to plan campaigns, train staff, develop/track incentive programs and produce promotional materials.
- Consolidating your 100+ product and service brochures will dramatically reduce the amount of time spent on regular updates and revisions. With at least 1/3 the number of brochures, savings could also be realized in creative time, legal and the myriad of compliance reviews.
- Scaling back the number of publications (120) and limiting the sizes of ads to a predetermined format will save a considerable amount of advertising expense, legal and compliance time in the process of reviewing the ads.
- Eliminating the use of Yellow Page advertising will save time in all of the divisional offices without any measurable decrease in market perception or negative customer impact.



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- Establishing a pre-set Charitable Contribution budget for all senior managers will eliminate “budget padding,” run arounds and last minute rush-orders as the Marketing department scrambles to find the money to pay for unbudgeted sponsorships and last-minute special events.
- Publishing your newsletter monthly rather than biweekly will save writing, review and editing time, without diluting your message to employees.
- An improved Data Warehouse will result in fewer project requests and assistance needed from your Marketing Planning and Research Group.

**Implementation Considerations**

- The confusion and ensuing inefficiencies associated with marketing strategy issues will dramatically decrease with a Marketing Director responsible for communicating to the organization the strategic marketing direction of the company. Considerable cost savings will result from the streamlining of the approval and review process.
- The streamlining of approvals will result in cost savings and an increased ability to reach the marketplace. The alternative approach to the current advertising agency relationship will result in considerable cost savings, improved creative and faster response time resulting in immediate bottom-line impact.
- The success in holding managers accountable for advertising and marketing initiatives depends largely on the expanded authority granted to the EVP-Marketing.
- Developing and widely communicating new policies to ensure that procedures are consistently followed.
- Develop a method to hold Marketing accountable to strict time frames for delivering on requests from business unit managers and product managers.