



the *Marketing Challenge*

Winter 2003

Volume 6, Issue 1

www.cinstmarketing.ca

Journal of the Canadian Institute of Marketing
Le Journal de l'Institut Canadien du Marketing

Inside this issue:

<i>Evolution of Marketing and Advent of E-Business</i>	2
<i>Use of Technology in Customer Service</i>	5
<i>Frequently Asked Marketing Questions</i>	9
<i>Ego-syntonic Marketing</i>	11
<i>New CEO for Chartered Institute of Marketing</i>	13
<i>New Member Profiles</i>	14
<i>APMF Foundation Chair and Deputy Chair Appointed</i>	14
<i>Successful Women in Marketing</i>	15
<i>MARCOM 2003</i>	17
<i>New Book Release</i>	18
<i>Chair's Message</i>	18
<i>The Lighter Side of Communications</i>	19
<i>New Members</i>	21
<i>Membership Requirements</i>	21

Hard work by professional marketers is shaping the Canadian Institute of Marketing

By A. Grant Lee, F.C.Inst.M.
General Manager



A. Grant Lee, F.C.Inst.M.

It's not easy. And it certainly is challenging to introduce change and then turn plans into reality. The Canadian Institute of Marketing is moving into its third year of morphing itself into a unique organization of professional marketers. The Institute was launched by people with vision and determination to establish a home for the professional marketer in Canada. The torch has been passed to a younger generation of marketers who continue to develop this dream.

The Institute was established with few resources

other than the personal funding and equipment of its founders. For 20 years the Institute has struggled to establish an identity in a marketplace that has great interest in "marketing" but little understanding of the value of the credentials of a professionally qualified marketer. The situation is changing, although at times even the most optimistic of its members have to wonder and doubt a marketer's role.

The first step we took was to modernize our communications and embrace the Internet using tools such as a Web site, ezine format for our journal, *The Marketing Challenge* and email. This first action has subjected the Institute to global interest in its operations and membership. Affiliation with the APMF and WMA enhanced our international profile.

We then focused our membership database and trans-

formed old records into a more user-friendly and transferable format. Today we are struggling through new technology for Web-based record updates and transactions.

The Institute then returned to the roots of its mandate and focused on ensuring that candidates for membership truly held the required credentials to be called *professional* by the Institute. The office of the Registrar was established to focus entirely on the credentials of candidates and to make recommendations to management. The Institute's financial accounting has been placed under the care of a hands-on Treasurer who is responsible for all financial reporting and transactions with the membership.

It is absolutely imperative that candidates for membership have the academic

(cont'd on page 20)

Editor

A. Grant Lee,
B.A., M.A., M.C.I.P.,
R.P.P., F.C.Inst.M.

Publications Advisory Committee

Leonard E. Weeks,
M.C.Inst.M.

Bruce Hoggard,
F.C.Inst.M., C.M.C.,
M.M.I.S./O.S.

James Schauer,
F.C.Inst.M.

Suzen Fromstein,
M.C.Inst.M.

The Marketing Challenge is published three times a year by the Canadian Institute of Marketing and distributed to members free of charge. The views and opinions expressed herein are not necessarily those of the Canadian Institute of Marketing. Copyright is reserved. No part of this publication may be reproduced by any means without permission from the editor, telephone (905) 877-5369.

All advertising requests and copy should be sent to: AGL Marketing Limited, 20 Moultray Crescent, Halton Hills (Georgetown), Ontario, Canada, L7G 4N5. Tel: (905) 877-5369, Fax: (905) 702-0819, E-mail: info@cinstmarketing.ca

Canadian Institute of Marketing
L'Institut Canadien du Marketing

P.O. Box 1718,
Holland Landing Ontario,
Canada L9N 1P2
Tel: (905) 877-5369
Fax: (905) 702-0819
Toll Free: 1-877-765-7637
www.cinstmarketing.ca

The evolution of marketing with the advent of E-business—Evolution of the market structure, Part 2

By Afzal Baccus, M.C.Inst.M.



Afzal Baccus

This three-part article seeks to address the impact of E-business on marketing both as a function and business philosophy, and its implications for marketers. Part 1 was published in Vol. 1, Iss. 3. Part 2 discusses the evolution of the market structure with the advent of E-business.

The marketplace in various industries is undergoing a process of substantial structural and technological change. Industry structure is changing and new relationships emerging, creating a new balance of power. Such changes are creating a situation where existing players across different sectors are increasingly finding their positions challenged by products and services from outside the traditionally defined domains of their respective sectors. These changes are driven by the following new models:

Disintermediation

The classical intermediary of wholesalers and retailers is no longer the ideal

model. Now, direct sales possibilities are at any place where an Internet access exists, i.e. in the homes of the customers. Thus, E-business is the enabler for the new types of intermediation while the old intermediaries are challenged in their business propositions.

Electronic business is lowering distribution and transaction costs particularly in the case of information-based products. These include products such as software and news services, which can be digitized and distributed at much lower cost via the Internet than in a hardcopy format. Many software and information providers who now distribute updates via the Internet, are not only saving both reproduction and postage costs, but are removing the needs in many cases for intermediaries.

Many software and information providers who now distribute updates via the Internet, are not only saving both reproduction and postage costs, but are removing the needs in many cases for intermediaries.

Disintermediation is also occurring in other businesses, which do not sell information but which rely heavily on information such as financial services and

travel agents. Although the scope for disintermediation is greater in the case of information products, it may also occur in the supply of physical goods. In this case the supplier may still have significant shipping and handling costs, so it will need to find significant cost saving elsewhere. For example, Dell has managed to do this successfully on the Internet by linking their online ordering with innovations in their physical supply chain, which allow reduced stockholding costs with customized assembly of PCs.

Some of the traditional intermediaries need to define new ways of adding value, otherwise they may disappear, or lose some business opportunities as customers prefer new forms of acquiring goods or services. Likewise, marketers should be aware of this situation, which can represent a threat as well as an opportunity.

Convergence of technology

Key technologies used in electronic business are converging to allow transfer of data between different devices and systems. It is now possible to access the Internet using a variety of hardware including TVs, PCs, personal digital

(cont'd on page 3)

advent of E-business ...cont'd from page 2

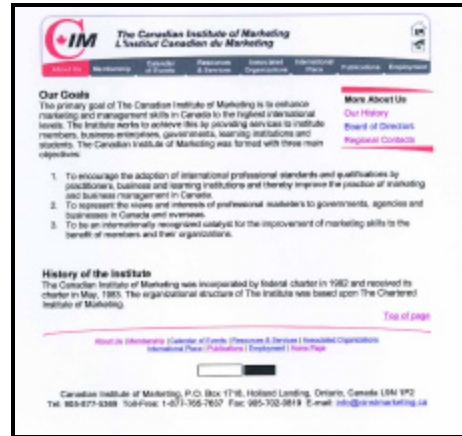
assistants (PDAs) and mobile phones. This has stimulated diversification into new industry sectors and joint ventures between firms in different industry sectors. Firms include computing companies such as IBM and consumer electronics manufacturers such as Sony and Matsushita. For example; Apple and Sony have worked on a joint venture to develop set-top boxes that allow access to the Internet and other services from the television. At the same time, the various devices are complementary in that data can be transferred between them, (i.e. between a mobile phone and a PC).

As well as technological convergence, drawing on ideas from customer relationship management, Deise et al. (S. Chen, 2001) argue that in the future, industry boundaries will be dictated by customer relationships. For example, many banks now have interests in media, telecommunications and travel, while many manufacturing companies such as GM now offer financial services.

Virtual Marketplace

The market place notion is undergoing changes. Added to the traditional market is now the scope for the digital or electronic market (virtual marketplace). An electronic market can be viewed as a direct parallel of the familiar shop, store or supermarket. It is in essence, a virtual trading area where deals are struck through a computer screen, over a network. The 'shop-front' is usually a set of web pages, the shelves equates to the catalogue where products are stored and the warehouse is the server.

This may be a simple extension of existing channels to market. In some instances, the supplier will do no more than mediate between the manufacturer and customer. An example of this would be Amazon.com, who provides a shop front for books but is not a publisher or stockholder. Hence, all



activities, other than presentation and marketing, are done elsewhere.

A slightly different picture emerges if the supplier has some measure of control over the product being sold – either the ability to configure it or complete governance of production.

The online experience is often extended to allow the customer to experiment with the basic product and see what it looks like in a different color, configuration, size or style. This model works well for car manufacturers such as Daewoo, computer vendors such as Dell and fashion retailers such as Next. Allowing the customer to 'build' his or her own computer, car or suit using a web application provides a valuable extra capability at little cost. Furthermore, the door is opened for the manufacturer to gain customer information directly, without the need for a showroom, retail survey or high street shop.

Another distinct model that is emerging in E-business is one where the prospective buyer submits a bid, which may be accepted by the supplier – rather like a traditional sealed bid auction. In this case, the aim of the E-business is to match a customer, who wants something, with a supplier willing to sell it, for the price that has been bid.

Virtual Information space

The virtual information space consists of new Internet-based channels

through which a company can display information about itself and the products and services it offers. These include sites providing information such as brochureware; sites where companies publish catalogues of the services, information services providing financial information and bulletin boards advertising employment opportunities.

Compared to virtual media, traditional media such as television and radio are passive "push-media." The Internet is a "pull-medium." Customers actively decide what will, and will not, happen online. They don't sit back and watch or listen to advertising or marketing messages. They don't wait for mail delivery of product information. The customer voluntarily decides to click a link, sends e-mails or drills down for more detail.

Virtual communications space

The virtual communications space includes new opportunities in which economic agents can exchange ideas and experiences, influence opinions or negotiate. Examples are bulletin boards, chat rooms and videoconferencing. These opportunities deserve our attention as a number of new marketing practices have developed using these tools. One example is viral marketing, which is the online word-of-mouth concept (word-of-mouse).

The virtual communications space includes new opportunities in which economic agents can exchange ideas and experiences, influence opinions or negotiate.

Virtual distribution space

The virtual distribution space consists of new distribution channels for a variety of products and services. The first category of products includes those products that can be efficiently distributed by means of the Internet. These are products that can be digitized and transmitted through computer networks, such as text,

(cont'd on page 4)

advent of E-business ...cont'd from page 3

pictures, digital music and video, software and computer games.

The second category includes services such as text, voice or video-based consulting and training.

Virtual transaction space

The virtual transaction space consists of new Internet based channels through which economic agents can exchange formal business transactions such as orders, invoices and payments. This can range from simple e-mail and online order forms to online ordering using a credit or debit card and online accounts. This is common in B-2-B transactions.

In the above models, there are a number of technical issues that the modern marketers should be concerned with – security and privacy being the two most critical.

New sources of competitive advantages

It is evident that the form and nature of competition is changing within the digital economy. Correspondingly, as businesses respond to the new challenges, it is apparent that new sources of competitiveness are emerging.

The Five-force model

The development of new business model is derived from changes in the industry structure within which the enterprise is operating. According to Porter (1985), industry structure is determined by five competitive forces (the power of buyers, the power of suppliers, the threat of new entrants, the threat of substitutes, and rivalry among suppliers).

All of these competitive forces are affected by the development of E-business. Many of these changes are driven by revisions within the value chains of the affected sectors as buyer power and supplier pressures upon the enterprise are intensified. In addition, enterprises are likely to face increasing competitive pressure through the con-

vergence of previously distinct sectors and a lowering of entry barriers.

There are new requirements to open up the enterprise to customers and suppliers, getting to know customers as individuals, creating mutually successful solutions with suppliers and evaluating alternative sourcing options. These trends will lead to industry transformation. As this happens, so there is a need for the extended enterprise to identify value network roles clearly, develop deep specialization, embrace collaboration and share infrastructure with competitors.

Inevitably these changes place pressure upon marketers to achieve new forms and sources of competitive advantage in terms of:

- ▶ lower costs in a number of areas through the use networks (Internet, Intranet, Extranet)
- ▶ offering greater differentiation through product and service innovation;
- ▶ altering competitive scope through providing increased focus upon customer relations.

The Value chain

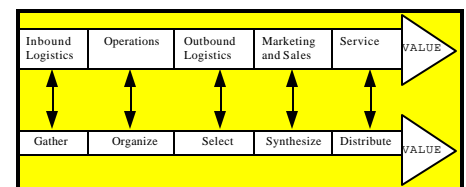
The basics of the value chain is that an enterprise takes inputs from suppliers to which it adds 'value' to create outputs that are eventually consumed by others.

The concepts of the value chain revolve around securing competitive advantage through managing suppliers, assessing the requirements of consumers and adjusting internal processes as appropriate. Thus a business is profitable if the value it creates exceeds the cost of performing these activities. Consequently to gain competitive advantage an enterprise must either perform these activities at lower costs (through using ICTs to improve efficiency) or perform them in an innovative manner (through the utilization of improved knowledge resources).

It is evident that, across these primary and support activities, the application of ICTs is having a tangible effect upon enterprise performance. The notion of Virtual Value chain comes into effect.

The development of a virtual value chain is, as the name suggests, value creation through interactions over the network (via the exchange of information) rather than through direct contact as typified by the traditional value chain. The virtual value chain is essentially the process whereby raw information is transformed into products, delivering value to users through electronic means.

The virtual value chain is more a complement to the existing value chain than its replacement – there are emerging interlinkages between the two value chains. The virtual value chain is an important source of competitive advantage through using information collected as a complement to existing physical processes. Information can evidently be captured at all stages of the virtual value chain and used to enhance the performance of the enterprise.



The virtual value chain
Source: Phillips (1974)

The above model shows that the flow of information along the value chain between the enterprise, its suppliers and its customers can be utilized to ensure that efficiencies and competitiveness are realized. On the supply side, sharing information with suppliers brings obvious benefits to both in terms of efficiency of delivery and avoidance of over-stocking, and is a complement to just-in-time production techniques. Bringing the customer into the enterprise's value chain offers advantages in terms of requiring fewer resources for enterprise functioning, increased speed for the re-engineering of products to

(cont'd on page 5)

advent of E-business ...cont'd from page 4

meet customer needs, the enabling of mass customization and the avoidance of supply problems, as products can be relayed to the customer quickly and easily. The success of these systems to the competitiveness of enterprises relies upon emphasizing the customer as the key driver to the system (C. Turner, 2000).

The success of these systems to the competitiveness of enterprises relies upon emphasizing the customer as the key driver to the system (C. Turner, 2000).

These trends highlight that it is especially important that Marketers exploit the full potential of the development of ICT. In the first case, the cost efficiencies associated with the increased deployment of new technology become especially important. The second point stresses the core source of competitive advantage – customer relationship – and the importance of the enterprise having access to the necessary skills to secure and enhance competitive advantage. The final point stresses, the increased importance of information in determining competitive advantage (through, for example, tailored marketing strategies) and, that many businesses will seek to compete within the information economy through new or evolved business models based around the increased utilization of online business processes.

Afzal Baccus, M.C.Inst.M, DipM, MCIM, MSc E-Business, Chartered Marketer (CIM, UK) is a marketing consultant on a partnership basis with PharmaMarketing Services Ltd, which offers its consultancy services for pharmaceutical companies. He also lectures at a local branch of the Chartered Institute of Marketing. Contact Afzal at albaccus@yahoo.co.uk)

The use of technology in customer service

By James A. Schauer, F.C.Inst.M.
Easton Marketing Services Ltd.



James A. Schauer

Advances in technology now provide many seductively attractive solutions for restructuring businesses, downsizing to reduce large budgets, staffs, and - more recently - convergence, i.e., the merger of two under-performing companies to create larger enterprises. The expected synergies and promises of global scales of operation and unheard-of efficiencies from shedding redundant costs and employees often fail to materialize in practice. Unfortunately, the belief that technology solutions alone can lead to improvements in customer service is more often than not deceptive.

Ironically, most of these incomplete technical solutions are accompanied by declining customer service quality which, more than anything else, contributed to the individual business partners' decline in the first place. There is growing evidence that the same outcome awaits these new monster companies, who invariably tend to overtax the managerial skills of the people who brought them into being.

As a marketing professional engaged in service quality improvement and dedicated to customer loyalty through service-driven relationships, I venture to submit that technology alone is no panacea for reversing a decline in customer service. Increasingly, we learn

from experience that fragmented solutions rarely if ever work, and that bigger companies are not necessarily better.

Marketing is about people

As you know, marketing has a myriad of definitions. Regardless which one you prefer, they all have one element in common: *Marketing is about people*. By acknowledging the customers' needs and expectations, the service delivery process must focus on producing customer satisfaction, which in turn will support continued growth through optimum customer loyalty.

To this end, customer service must involve all the services offered by your business. A successful outcome relies on optimized performance of each individual service component. For example, an airline may provide the very best in terms of boarding, on-time departures, comfort, in-flight services; but all this amounts to nothing when just one staff member shows no concern for a passenger whose luggage was lost.

Conversely, experience shows that luggage losses or flight delays need not be serious problems when they are accompanied by a timely explanation and swift action from a sensitive staff. Yet who has not experienced a flight where the plane backed away from the ramp precisely on time, only to stop soon thereafter, yet no one cared to explain the reasons or length of the delay? Airlines today employ more technology than most other businesses. To derive the optimum benefit from the investment in this or any other sector, however, the merits of technology must be balanced with the needs of customers.

(cont'd on page 6)

use of technology in customer service

'The customer is always right.' For the competitive marketing professional, customer service must result in their satisfaction, based on their needs and expectations. Often overlooked, this same customer focus also works for technology applications that impact on customer service delivery or quality. However, more than achieving customer satisfaction as a recipe for mediocre delivery, the future viability relies on customer loyalty much more than meaningless satisfaction ratings.

To this end, we must learn to **LISTEN** to our customers, and more important: We must be willing to **HEAR** them.

The same basic need for customer satisfaction also holds for government services, including taxation, where the main objective is 'voluntary compliance with a statute.' The focus there, however, is somewhat different. To minimize the cost of the administration (volumes of avoidable inquiries, errors and costly rework), rather than have satisfied, loyal customers return, the public must be provided with the essential information in a user-friendly format to enable them to comply with the law—in full. The emphasis here is on helping them to 'get it right the first time – on time.'

Know your customers and their needs

To serve customers well, it is essential to know who they are and what their needs are. Marketing research detailing customer needs and their preferences provides critical feedback, which can also prevent excessive or unwanted service for customers and citizens alike. Not only does this approach eliminate waste, especially when the excessive level of service is not fully appreciated by customers, but for the business' managers it will assist them in balancing the customers' needs and

...cont'd from page 5

profit. It is impossible to balance these needs if nothing is known about the customers.

Service quality is entirely dependent on ongoing positive relationships with people: between any employee serving a customer, as well as suppliers, partners, any other employee or superior. It is the millions of little encounters, what former Scandinavian Airlines CEO Jan Carlzon first called the "Moments of Truth," which contribute to bottom-line success and customer loyalty.

Marketing success requires balance

The results of marketing research, client feedback and needs analysis are employed in the marketing plan – the basis for the process of moving goods and services to your customers. Management of this plan is an ongoing balancing act, to satisfying customers' needs under ever-changing market conditions and the challenge of meeting corporate profit goals. An important management tool, this plan is also used for balancing resources – including the use of technology.

Technology must support customer service

There can be no doubt about it – technology is here to stay. Its impact will continue to grow, even though we may not like it. Ultimately we will have to get used to it. Just how we use it to provide for improved services expected by our customers is yet another matter. One thing is certain; we cannot allow technology to interfere with the need for customer satisfaction.

For years we have been encouraged to use evolving technology to 'do more with less.' This objective applied in isolation is now outdated since it violates the principles of 'general systems thinking' by focusing largely on internal, profit-oriented priorities, rather than outcomes that recognize customer ex-

With a shift in focus towards service quality improvement – rather than doing more with less – future applications must aim to 'do better with less' and 'get it right the first time – every time.'

Wherever technology can be employed to improve service to our customers – resulting in a more reliable, faster or more convenient delivery – perfect opportunities for using technology and expanding its use present themselves. Operating an airline today without the use of computers to control its inventory, accounting, and reservations systems in real time, would be unthinkable, if not impossible. The use of computers and communications now provides both, reliable and convenient global access to the desired services.



Similarly, companies like Federal Express, United Parcel and other enterprises engaged in high volume parcel shipments would be unable to function and offer the reliability and accountability we have now come to expect from them. The extended use of technology to track shipments en route minute-by-minute adds further value for their customers and ensures mutual peace of mind.

Technology has also significantly changed the way we access services. The convenience of automatic banking machines (ABMs), electronic transfer of funds (EFT) and self-service airline ticketing, with their reduced transaction time and 24-hour access, is

(cont'd on page 7)

use of technology in customer service

...cont'd from page 6

difficult to deny. The very popularity of some ABM locations may, however, also lead to dissatisfaction and user disloyalty, causing customers to switch to competitors with shorter waiting lines or easier access, and personal safety at poor locations - especially at night.

In the absence of empathetic, breathing, responsive employees, these 'services' do little to foster loyalty among their users. With fewer personal encounters, the opportunities for "Moments of Truth" also will diminish. As a result, obtaining a personal loan may become less friendly for many who still enjoy ongoing personal interface with their bank managers. Banks will have to make extra efforts to maintain an image of truly 'caring for their customers'. This risk is heightened for companies that provide their services in foreign countries where they may be difficult to reach when errors or breakdown in services occur.

Many technology applications have now resulted in increased product reliability and service quality improvements, such as computer memory and software applications, automobiles, electronic and household appliances - resulting generally in better value for money. We now also take it for granted that media technology allows us to share in events anywhere on the globe as they occur. Some cable companies, however, still need to learn how to become more sensitive in hearing what their viewers *really* are willing to pay for, in order to maintain a satisfied and loyal customer base.

At the same time, there are some technology applications which still do not contribute to service quality. In competitive marketing, interactive voice response (IVR) or voice processing applications do not always serve all

customers equally well. High call volumes and the resulting lack of customer contact with these systems often causes, rather than solve customer problems. For instance, customers billed in error quickly become frustrated with technology when, in an attempt to have the mistake resolved, they only encounter a busy signal or the tones of answering machines. Similarly, answering machines are now more often used for screening purposes, rather than provide callers with a fast response to their inquiries.

Non-service: a deadly weapon

Reaction to service technology also varies with the user's age. Ongoing research since 1997 among callers aged over 65 using telephone call centres have shown that - given the option between immediate response via recorded information or waiting for a human contact - over 90% prefer to wait and talk to a 'live' person or they call back later. From the customer's perspective, an offer to return a call inevitably provides the organization with the advantage to prepare a generic reply that may not serve the best interests of the inquiring customer or citizen. The only beneficiary here appears to be the phone company, who reaps extra revenue from unsatisfied 'repeat' callers - which hardly passes for good 'customer service'.



Another non-service application is what we now know as 'telemarketing'. This process, involving telephone solicitations, has little to do with

'marketing', and contributes even less to customer satisfaction, especially when the timing is extremely inconvenient. The priority often is to push unwanted product or services, meet questionable business needs, such as customer surveys, rather than 'serve the customer.' This process becomes most offensive when it is used for automated solicitations and people contacted learn after four or five well-scripted and timed exchanges that they have been conversing with a machine.

My own first encounter with technology in resolving customer inquiries and complaints concerning airline and hotel services in the 1970s quickly enlightened me about the need for human compassion when dealing with customer problems. For any unexpected change affecting large groups of people, such as a major flight delay or hotel overbooking, individual customers often reacted quite differently to the same event.

Tailoring technology to customer needs

Invariably, solutions have to be tailored to individual customers or small groups, aiming to satisfy and balance the needs and expectations of customers with those of the business fairly and quickly. By using technology to track problem causes, then resolving problems through personal interaction and compelling suppliers to improve their service quality, Sunflight Vacations could boast yearly repeat business from over 45% of its past clients including their referrals, compared to an initial 21%. This competitive feature made the tour operator a high performer for its customers.

Air travellers today are aware that there are times when flight delays are inevitable, suitcases do go astray, that airlines and hotels do overbook as protection against no-shows.

(cont'd on page 8)

use of technology in customer

Service

...cont'd from page 7

None of these incidents will cause serious problems if the situation is resolved quickly, with understanding and genuine concern for the affected customer. Technology is here of tremendous help in resolving problems quickly and accurately, but technology can never replace empathy and sincerity of human compassion – the most valuable customer service quality of all.

Technology can never replace empathy and sincerity of human compassion – the most valuable customer service quality of all.

Almost any business or government agency receives inquiries or complaints about its services. Often the volume of inquiries occurs due to inaccuracies in promotion material. Simply increasing inquiry staffs, adding phone lines or employing technology does not address the cause of these problems. This may even aggravate a bad situation. A practical solution is to first target and modify advertising, promotion or sales literature - including its timing, as appropriate, leading to better informed customers, thereby reducing the need for growing volumes of much more costly inquiries processing.

In the public sector a large number of inquiries often arise for identical reasons, as program-related inquiries – in large volumes. The linkage between cause, effect and benefits in resolving problem causes - invariably in another department - is usually not as easy as in well-coordinated marketing organizations. A fast response may even compound problems when root causes are still unknown and unwittingly concealed.

On a positive note, computer analysis of past customer purchases and their preferences are now increasingly used

by hotels, airlines, car rental companies and at least one major credit card company to enhance the 'personal touch' of their customer services. Development of this technology-enabled, customized service presents a tremendous marketing opportunity for airlines where most use the same equipment, among hotels whose rooms have become more standardized, or among car manufacturers whose computer-designed automobiles are beginning to look more the same, and where there is less distinction for many of the key services offered by banks.

Delivery of such customized services and their continuous improvement becomes a major competitive cost-saving advantage. More sophisticated communications methods are now used for further advancing recent refinements in personalized customer service. Surprisingly, despite this evolution of customer service technology, some of the more traditional service features are still relatively unknown to consumers or deliberately withheld for use on special occasions only.

Marketing research and customer satisfaction

For the successful businesses, customer expectations for service quality continues to grow. The same marketing research methods used to identify customer needs are also used for tracking their changing priorities and satisfactions levels as they are affected by competitive environmental changes. Just because a satisfied customer bought from you yesterday is no longer an ironclad guarantee he or she will buy from you tomorrow. At a time when manufacturing lead times and cycles are getting progressively shorter, margins for error are decreasing, thereby increasing the business risk. It is in this area where the benefits from proper use of technology are greatest.

At a time when manufacturing lead times and cycles are getting progressively shorter, margins for error are decreasing, thereby increasing the business risk. It is in this area where the benefits from proper use of technology are greatest.

Customer Satisfaction: the Competitive Advantage

Technology now drives progress almost everywhere; but it cannot become a substitute for service at the 'Moment of Truth' or 'Point of Service Delivery'. Yet, surprisingly, many executives still search for technology-driven solutions *as an alternative* to effectively managing relationships with their customers. On balance, while neglecting technology may be shortsighted, neglecting customer service can be fatal.

Providing service quality gives the successful business a competitive advantage – retaining the loyalty of its customers while attracting new ones more readily. To this end, technology serves to improve both product and service quality, leading to greater productivity and improved customer services. Balancing customer priorities

Providing service quality gives the successful business a competitive advantage – retaining the loyalty of its customers while attracting new ones more readily.

with business priorities can lead to more loyal customers, which in turn also helps to attract and retain a better staff to further strengthen the business organization's competitive position.

James A. Schauer is president of Easton Marketing Services Ltd., providing project management, performance analysis, service quality improvement and marketing planning services. A fellow and director of the Canadian Institute of Marketing, his background includes international travel/tourism, financial services, and air operations.
Copyright © 2003 Easton Marketing Services Ltd.

Questions most frequently asked in marketing

By Prasanna Perera, M.C.I.M. (UK), M.C.Inst.M., M.S.L.I.M.,
Chartered Marketer (CIM-UK)



Prasanna Perera

Based on my work experience of over 18 years in marketing, I have come across queries which have been asked repeatedly in various forums.

How should you contend with customers who press for lower prices?

Answer

Price competition is the most dangerous form of competition. It is resource draining and could in most instance, be long drawn. Hence, lowering prices and competing on price alone should be avoided, unless for specific promotional purposes.

Instead of lowering prices, try to provide greater value to customers, through your product and service offerings. A relatively higher price can often be compensated through excellent service, a reputable brand name and the resultant product quality.

How can we make other departments and employees more customer oriented?

Answer

By asking a simple question; "Who do you think pays for your salaries?" The fact of the matter is that it is customers that keep your business ticking.

Enlighten non-marketing employees

about the importance of being customer oriented. The best way to do this is to get them to examine their jobs, in the context of the contribution made to customer satisfaction. For example, a management accountant would be providing information and reports to decision makers who in turn would take certain steps, which would have an impact on customers. Therefore, it is important for a management accountant to view the "holistic" picture, and not only functional parts.

Another technique/concept that can be used is based on internal marketing. By internalising the marketing concept, you can get non-marketing employees to appreciate the value of satisfying customers. Of course, marketing starts at home! (employees are internal customers of an organization). As such, it is only through satisfied employees that external customers can be served well.

How can we keep our customers loyal?

Answer

By providing them continuous value which they acknowledge is important to them. Value is defined by the customer, and an organizations role is to continuously deliver that value. Examples would be consistent product quality, product benefits which are in line with customer needs and requirements.

In this day and age of killer competition, keeping customers loyal to your organization and brands, is a major challenge. But it has to be accomplished for business survival

Combining a favourable corporate image with the brands offered is another strategy that can be employed. You

thereby offer the consumer dual points of loyalty (corporate and brands).

How can we build stronger brands?

Answer

Brand-building is a time consuming exercise. However, the fruits of the labour are great, in terms of sales and profits.

To build strong brands, follow these guidelines:

- ▶ Do not compete on price. Brand image, and reputation will get tarnished, due to frequent price changes and discounting.
- ▶ Think long-term in terms of brand nurturing and building. (brand-building takes time).
- ▶ Develop a brand strategy.
- ▶ Nurture brand values consistently.
- ▶ Do not change brand strategies too frequently. (consistency is important to build brands).
- ▶ Innovation and NPD (New Product Development) activities are key factors. A brand cannot stay still. It has to be adapted to changing market conditions)
- ▶ Invest in building brands. Consider brands as fixed assets, and treat them accordingly.

How can we measure the cost efficiency of advertising, sales, promotions and public relations activities?

Answer

Advertising, sales, promotions and public relations activities are not carried out in isolation. They are carried out together with other elements of the marketing programme (product, pricing, distribution etc.). This is where the difficulty sits in terms of cost efficiency measurements. There are far too many variables! For example, during the period an advertising campaign is executed, sales volumes increase.

(cont'd on page 10)

frequently asked questions in marketing

...cont'd from page 9

Also, during this period, certain changes in the pricing strategy may have been affected, resulting in higher dealer margins and profits. What percent of the sales volume increase was achieved due to advertising and what percent was due to pricing changes?

My recommendation is to treat communication expenditure as an investment! Investment in terms of image building, and awareness building. Of course, be objective and realistic when communication budgets are fixed. But, do not strive to obtain an accurate measurement of the cost efficiency of communication programmes.

How can we differentiate our offering from competitor offerings?

Answer

Differentiate or die. This is the challenge posed to marketers by the well-known author Jack Trout. Differentiation can be achieved in many ways. Branding is a key differentiator. Brands such as Coke, Marlboro, Gillette, etc. are different to their competitors, as a result of brand related attributes (image, reputation, trust). Strive to build and nurture strong brands, because this becomes a powerful differentiator. Another way to differentiate is through technology. Sony has, for example, differentiated through innovation and state-of-the-art technology in both consumer and business electronics. (The Sony slogan says it all – “Sony – the one and only”). Service excellence is another technique of differentiation. Singapore Airlines, McDonald's etc are clear service leaders and differentiate themselves on this basis.

There are many options open for differentiation. The important thing to note is that the basis of differentiation selected, must be credible and important in the eyes of target consumers.

How can we segment markets and select the right market segment to serve?

Answer

Segmentation is a much talked about concept in marketing, but also the least understood! My view is that the lack of understanding of segmentation stems out of three reasons.

- ▶ Trying to segment all markets. (All markets are not segmentable).
- ▶ Not applying the criteria required for effective segmentation
- ▶ Applying traditional and broad-brush approaches to segmenting markets. (i.e. geographical and demographic)

To effectively segment markets, a judgement must be made, if the market is segmentable in the first place! This judgement can be based on objective criteria such as measurability, accessibility, size. If a market is determined to be segmentable, the next step is to identify the needs and benefits sought by consumers. This is referred to as a need/benefit analysis. Thereafter, you develop profiles of possible market segments. (segment profiling). Profiling is carried out using a combination of geo-demographic, demographic, personal and psychographic factors. Once the market segments are profiled, the next step is to select the market segments to be served. (targeting). It may not be possible to serve all the market segments profiled. Reasons being costs, resources, time and others.

Market segmentation is a scientific process, based on common sense and logic! Treat this concept as such for the best results.

How can sales force productivity be improved?

Answer

The sales force is a major investment centre, not a cost centre). When all is said and done, someone must go out and sell something!

The starting point of sales force productivity is in careful recruitment and selection. Recruiting the correct person for the job is very important. Often, valuable resources are wasted by mismatches that take place. Regular training and skills development activities should be conducted. Productivity enhancement can be achieved through a well-trained and motivated sales force.

How do we know when to conduct market research?

Answer

Market research is often carried out to satisfy management that planning and control activities are conducted. Market research activities should be objective-driven and decision-oriented. If the results of a research exercise are not acted upon, why conduct the exercise in the first place? If in doubt in terms of whether to conduct a market research exercise, follow these guidelines:

- ▶ Make sure that the information required is not already available in the organization.
- ▶ How important is the decision that has to be made? The greater the importance, the more the need for market research.
- ▶ Are adequate resources available to conduct the research exercise?
- ▶ How high in urgency is the decision to be made? The greater the urgency, the less opportunity there is to conduct adequate market research.

The golden rule is “work on the information that is required, and not on what is nice to have.”

Conclusion

Marketing is a living discipline. It is full of excitement, uncertainty and pitfalls as well! The queries that I have highlighted in this article are some of the most frequently asked. “Loyalty to the customer is more important than loyalty to brands or the company”

Prasanna Perera is a Senior Marketing Practitioner, and Senior Lecturer in Marketing Management. He can be contacted at prasanna.perera@tetrapak.com.

Êgo-syntonic marketing ? - Marketing strategy guided by entrepreneurial skills

Marketing égoyntone? - La stratégie marketing orientée par la compétence entrepreneuriale

By Réal Chabot, M.C.Inst.M



Réal Chabot

Are the “entrepreneurial skills” of the business leader to whom you are providing support consistent with the corporate strategies and marketing he or she is implementing? If not, strategic indecisions and financial crises may occur and jeopardize the business project.

The concept of «entrepreneurial skills »

What I observed helped me identify a type of know-how that can potentially accelerate market penetration and sales closing. I call it “ego-syntonic marketing strategic thinking”. This method acknowledges initially that entrepreneurial skills are what drive entrepreneurs and are their best source of innovation as they endeavour to develop products and services that will meet their customers’ needs. These skills are what inspire them and support them in times of uncertainty. It is an inborn natural talent. They know how to use it and how to share it with their staff virtually with great ease. It is something that they do not want to delegate. They are very emotional and passionate when discussing it, which is very useful to them when they are looking for financing or closing a sale. These skills must fit into any basic

business strategy, i.e. vision, mission and values.

« Ego-Syntonic Marketing Strategic Thinking »

Ego-syntonic marketing strategic thinking can be defined as a process of reflective thinking in which the entrepreneur (“ego”) is looking to implement consistent corporate strategies and marketing that are consistent with his entrepreneurial skills (“syntonic”). The simplicity of this method, in addition to the fact that it rests on what comes naturally to the entrepreneur, offers the benefit of easily involving the business leader in his marketing reflective thinking and action process.

The marketing thinking efforts that entrepreneurs make must be consistent with themselves and their target market. As results are reached, they help segment, target and position a consistent and buoyant project, all of which are designed to develop a framework for the exercises in establishing the marketing tactics that will follow. I suggest the following steps:

Step 1: What am I really good at? (entrepreneurial skills)

Step 2: Who do I want to tell it to? (segmenting, targeting)

Step 3: What do I want to say? (positioning)

Step 4: How will I do it? (promotion, price, place and product)

Step 5: How will I manage it? (budget, human resources, calendar)

This process allows business leaders to reach three fundamental goals in order for their business project to grow:

1. Putting into words their entrepreneurial skills and the business project that is driving them.
2. Facilitating target market and customer segmentation with relation to the entrepreneurial skills.
3. Deciding where to invest time, money and resources to create an “ego-syntonic” business.

Depending on circumstances, entrepreneurial skills can sometimes be easily detected. Other times, it is more difficult to do so. You only have to practice detecting this fuzzy area to be able to transform it into an ego-syntonic marketing strategy. In my view, the Canadian Technology Network (CTN) is ideally suited to this task, putting an end to strategic indecisions and encouraging entrepreneurs to take action. The Network will help discover professionals involved in marketing, business strategizing, organizational development and industrial psychology who have the needed skills and practices.

Marketing égoyntone?

La stratégie marketing orientée par la compétence entrepreneuriale

La « compétence entrepreneuriale » du chef d’entreprise que vous accompagnez est-elle cohérente avec les stratégies d’entreprise et de marketing qu’il met en œuvre? Si tel n’est pas le cas, des indecisions stratégiques et des crises financières peuvent survenir et mettre son projet d’affaires en péril.

(suite à la page 12)

La strategic marketing orientée par la compétence entrepreneuriale

... (suite de la page 11)

La notion de «compétence Entrepreneuriale»

Mes constatations m'ont mis sur la piste d'un savoir-faire ayant le potentiel d'accélérer la pénétration du marché et la réalisation de ventes : je l'appelle la « réflexion stratégique marketing égosyntone ». Cette approche reconnaît d'abord que la compétence entrepreneuriale est le moteur de l'entrepreneur et sa meilleure source d'innovation dans la tâche de mettre au point des produits et des services qui combleront les besoins de ses clients. Cette compétence, c'est ce qui l'anime et le soutient dans l'incertitude. C'est un talent qui lui vient naturellement, qu'il maîtrise et peut offrir à son entourage pratiquement sans effort.

C'est quelque chose qu'il ne souhaite pas déléguer, dont il parle avec passion et émotion et qui lui est par ailleurs très utile quand vient le temps d'obtenir du financement et de conclure des ventes. Cette compétence doit se capter dans les éléments fondamentaux de toute stratégie d'entreprise, à savoir la vision, la mission et les valeurs.

La « réflexion stratégique marketing égosyntone »

La réflexion stratégique marketing égosyntone se définit par un processus de réflexion-conseil dans lequel l'entrepreneur (« ego ») vise l'élaboration de stratégies d'entreprise et de marketing cohérentes et en harmonie avec sa compétence entrepreneuriale (« syntone »). La simplicité de cette approche, et le fait qu'elle s'appuie sur ce qui vient naturellement à l'entrepreneur, offre l'avantage de mobiliser facilement le chef d'entreprise dans sa démarche de réflexion et d'action marketing.

Les efforts de réflexion marketing que

l'entrepreneur déploie doivent être conséquents avec lui-même et sa clientèle cible. Les résultats ainsi obtenus segmentent, ciblent et positionnent un projet porteur cohérent, dans le but ultime d'encadrer les exercices de création de tactiques marketing qui suivront. Voici les étapes que je propose pour y arriver :

Étape 1 : Je suis vraiment bon dans quoi ? (compétence entrepreneuriale)

Étape 2 : Je veux le dire à qui ? (segmenter, cibler)

Étape 3 : Je veux leur dire quoi ? (positionner)

Étape 4 : Je vais le faire comment ? (promotion, prix, distribution et produit)

Étape 5 : Je vais le gérer comment ? (budget, ressources humaines, calendrier)

Ce processus permet au chef d'entreprise d'atteindre trois objectifs incontournables pour faire croître son projet d'affaires :

1. Traduire en mots sa compétence entrepreneuriale et le projet d'affaires qui l'habite.
2. Faciliter la segmentation d'un marché et d'une clientèle cible et réaliser un positionnement marketing en fonction de la compétence entrepreneuriale.
3. Décider où investir son temps, son argent et ses ressources pour créer une entreprise égosyntone.

Selon les cas, la compétence entrepreneuriale est parfois clairement perceptible, parfois plus difficile à discerner. Il suffit de s'exercer à repérer ce flou pour être en mesure de le transformer en stratégie marketing égosyntone. A mes yeux, le RCT (Réseau Canadien de la technologie) constitue un outil idéal dans cette tâche pour mettre fin aux indécisions stratégiques et encourager l'entrepreneur à passer à l'action. Le Réseau permettra de découvrir les professionnels ayant les compétences et les habitudes requises pour la réaliser, qui évoluent notamment dans les

d'entreprise, du développement organisationnel et de la psychologie industrielle.

Réal Chabot is CTN Advisor in international strategic marketing with TransBioTech – Centre collégial de transfert en biotechnologies, Lévis, Québec. He can be contacted at real.chabot@tbt.qc.ca..

How would you like to win a prize?

The Canadian Institute of Marketing values its student members. These are the marketers who will lead businesses into new territories, and develop strategies for new product and service acceptance. This is an opportunity for student members to raise their profile and market themselves to a very competitive economy.

The Marketing Challenge will be published three times in 2003. Take a little time to dust off that paper that you thought was absolutely brilliant—the same one that your professor thought was outstanding. Polish the work, and submit it to the editor of the Marketing Challenge. A committee of the Institute's Board of Directors will read the papers and select one that displays wisdom that would benefit all marketers.

The article should be 1000 to 1500 words, edited for publication and submitted in MS Word format with a photo of the author. Entrants must be student or graduate members of the Institute.

All entrants will be rewarded with an appreciation award. The winner will receive a prize and certificate. The winner's article will be published in the Fall Issue of the Marketing Challenge which will be archived on the Institute's website. Send entries to Grant Lee, glee@aglmktg.com by October 31, 2003.

Chartered Institute of Marketing appoints new CEO



14 January 2003

Peter Fisk is to be the new Chief Executive of the Chartered Institute of Marketing. His task will be to establish the CIM as the world's leading professional body of marketing.

Fisk, 35, is a strategic marketer and took up his new position on 1 February 2003. He joins from PA Consulting Group, the international management and technology consulting firm, where he has been responsible for defining and implementing high performance marketing working with clients such as American Express, BT and Microsoft. He started his career in marketing strategy and brand development with British Airways.

"My work with clients has convinced me that marketing is undervalued in virtually every company" explains Fisk. He points to research of 6,000 companies by PA which shows that marketing typically creates three times more value than anything else, yet marketers are typically not in the driving seat.

"Marketers need to be more strategic, more innovative and more commercial in order to demonstrate and deliver their true worth."

"Marketers need to be more strategic, more innovative and more commercial in order to demonstrate and deliver their true worth."

"I want to significantly improve the reputation of marketing within business, and the capability and confidence of marketers to unlock its real value. Marketers should be the driving force of strategy and change in organizations;

relentlessly searching for differentiation and improved business results. They should be out looking for the best sources of future profits, unlocking emergent technologies in innovative ways, and responding to the ever-changing needs of customers. This is how they will command a much stronger voice in the boardroom.



Peter Fisk

The CIM should become the first place every marketer turns to for leadership and support. It should help create great marketers, and help them to deliver great marketing".

The appointment builds on the new strategic vision set out by the CIM to become the leading body of marketing globally, and the governance changes to make that possible. The new CEO's challenge will be to shape the new strategic plan, then work with the CIM team and the marketing world to implement it successfully.

International Chairman, Mike Johnston comments "To be the leading body of

marketing is an ambitious goal, but by no means unachievable. Yes it will stretch us, and requires change, but we are committed to it and we can make it happen."

"Peter brings the leadership and practical experience to drive and deliver a new CIM over the coming months and years. His knowledge of best practice marketing and the challenges which marketing people and their companies face will be invaluable, as will his skills in business strategy and implementation".

The CIM has a strong foundation on which to build, argues Fisk. "The CIM is well known as the training ground of marketing, but has done less for more senior marketers. It needs to address the needs and ambitions of every level of marketer, of members and non-members, and of business in general."

"The CIM will need to work closely with the whole marketing community - with marketers and business leaders, academics and professional bodies, consultancies and suppliers. We must create a clear and compelling voice of marketing. This will help the CIM to achieve its strategic goals, every marketer to improve their personal effectiveness and enhance their careers, and every business to improve their marketing and business performance."

For more information, or an interview, contact: Shirley Hanley, Hanley Ryder Partnership, 07836 514409 / shirley@hrp.co.uk. Graham Kench, CIM, 01628 427356 / grahamkench@cim.co.uk

New Member Profiles

Lubaina Galeley, M.C.Inst.M. DipM MCIM Chartered Marketer (UK), LCCI Diploma in Marketing (UK), NCC (UK) Diploma in Computer Studies.

I moved permanently to Canada in December 2001, and am presently working for Blue Cross, in the field of Individual Health and Travel Insurance.

In my 10 years of marketing and customer service experience, I have worked in various industries in several countries, and this has given me the benefit of having a varied and diverse outlook, as well as experience. I strongly believe that irrespective of the industry one works for, the basic principles of Marketing remain the same. In actual fact, this has enabled me to provide my employers with unique perspectives, and has helped me to develop creative strategies.

My key areas of interest are in marketing strategy, communications, international marketing and branding. I am targeting a job at the level of Marketing Executive, or as a Brand Manager, where I can utilise my extensive experience. In addition, I am sitting for various local examinations, in order to build upon my knowledge of the Canadian markets.

I would like to develop contacts with other marketing professionals, especially in the Toronto and Mississauga region. I may be reached at lubainagaleley@hotmail.com

Ranjan Madanayake MCMI, MIM (SL), MSLIM, MCInst.M.

Since 2001, Ranjan has worked as Director Marketing & Sales for the Capitol Group, one of the biggest Logistics Companies in Sri Lanka, who is the exclusive representative of the

international giant in the Logistics business - Danzas and Overseas Courier Service of Japan. He holds 35 years in sales, marketing, marketing communications and general management. He has handled marketing management, sales, sales management, marketing research, and brand management in consumer, industrial & social marketing. During these years he has handled hundreds of different products and worked in over a dozen different companies, in Sri Lanka and abroad.

He is also author of the book, *Strategic Marketing Plan—the 12 'P' Model*. See page 18 for description. He can be reached at ranjanm@sltnet.lk.



Send the editor your suggestions for the next newsletter

This is the publication of members of the Canadian Institute of Marketing. Let your editor know what you would like to see in the newsletter, and your executive will try and include your suggestion in the next issue.

The Marketing Challenge is read worldwide as it is posted on our Web site as a .pdf file and available for printing. Help us make it better.

A. Grant Lee, F.C.Inst.M.
Editor
glee@aglmarketing.com

APMF Foundation Chairman and Deputy Chairman Appointed

The Asia Pacific Marketing Federation (APMF) Foundation can play a useful complementary role as a supporting body to the primary body, which is the



Dr. Jose S. Concepcion Jr.

APMF itself. To activate and move the process forward, it is imperative that an eminent chairman and deputy chairman be appointed.

and Mr Hermawan Kartajaya, who were both present at the Jakarta APMF meeting, agreed to be the Chairman and Deputy Chairman of the APMF Foundation, respectively.



Mr. Hermawan Kartajaya

Dr. Concepcion is Chairman, RFM Corporation and immediate Past President of ASEAN Chambers of Commerce and Industry (ASEAN-CCI). He is a member, Philippine Section of ASEAN Business Advisory Council. Mr. Kartajaya is the Founder and President of Mark-Plus & Co, a strategy consulting firm that was recently rated #1 Indonesian Consulting firm, by SWA Magazine. He is the current President of the World Marketing Association.

Successful women in marketing—Chartered Institute of Marketing (CIM) interviews with senior women marketers including Dianne Thompson, President of the CIM

Today women wield growing economic influence; not only in spending power, but increasingly as captains of industry and commerce. As marketers, they are highly focussed and independent-minded. The Chartered Institute of Marketing (CIM), whose membership now comprises 42% women, asks four influential female marketers what it takes to make it to the top of their profession, and to share some secrets of their success.

What is marketing today?

As organisations begin to think of themselves more as collections of customers, rather than collections of products and services, they need high performance marketers to convert relationships with customers into business results. To do this, marketers must possess the essential skills together with an ability to absorb emerging best practice, and adopt the latest techniques. The best marketers are those who can anticipate and act on new opportunities, while focusing on getting new products and services to market fast.

Research from CIM shows that knowing what the company's marketing (and business) objectives are, and then developing marketing programmes to make brands and customer loyalty work for business is all in a day's work for today's marketer.

The future of marketing - time for a change?

The old saying goes that the only certainty is change. In marketing that's undoubtedly the case as better techniques and more rigorous metrics replace yesterday's intuition and presumption. For many marketers, this is a time of enormous change, but a unique opportunity is on the horizon - the chance to demonstrate that they have direct and marked impact on business performance.

Dianne Thompson, Chief Executive of Camelot, and CIM's President believes that the future of marketing is developing very rapidly, in that consumers are be-

coming increasingly sophisticated and that as many more channels of distribution reach consumers, marketer will have to segment and tailor their marketing activities far more than in the past. A one-size fits all approach no longer applies, she says.



These architects of high-performance marketing are in agreement – in future, businesses will need to become even more customer focused. At the

same time, there is a desperate need for marketers to make their voices heard when business decisions are being made.

“The future of marketing is definitely the link between the business and the customer,” says Christine Bosswell-Munday, CIM's newest regional director. “That might seem obvious, but I think at the moment very few companies fully understand, or appreciate the concept of customer relationship management and how customer focused business strategies can considerably boost share price”.

But what can marketers do to change all that? Many feel a real frustration about the lack of sway they have on company boards. There is also optimism, however, that by looking more closely at the essential marketing skills and educational frameworks, real headway can be made.

“It's up to us, as marketers, to raise the profile of marketing up the business agenda,” says Tess Harris, member of CIM's International Board of Trustees.

“I truly believe that as the economy enters decline, there will be a real opportunity for marketers to prove that their skills and experience create substantial business value.”

What are the essential skills for marketing?

So what are these skills and competencies? There will always be a broad range of capabilities in organisations, based on education and experience. Most would agree that top marketers focus on areas that add most business value. This could include making decisions that strengthen customer value connections, build strong brands, and develop loyalty in new and existing markets. Above all, marketers need to get to grips with the business priorities that drive organisations.

“As Peter Drucker said, the purpose of any business is to create a customer,” says Tess Harris. “A good marketer will think about inputs and outputs, putting marketing money in at one end and revenue the other. In this way we can really show how marketing has such a big impact on business success, and embed that philosophy at the heart of every company.”

But, to raise the profile of marketing, we need to understand the factors that influence its effectiveness. At the end of 2002, CIM commissioned “Career Paths for Marketers”, to understand and map out the career path of a variety of marketers.

For the majority of those successful marketers questioned, the creative and lateral thinking involved in marketing was the key appeal. Respondents loved their jobs because they saw the

women in marketing ..cont'd from page 15

profession as creative, practical, and commercially minded, although there was a view that academic thinking cannot be solely relied upon in the real world.

The most powerful combination, said respondents, is the balance between academic ability and practical experience. Many trained to become "Business" marketers. They point to a "kitbag" of professional skills that will last them throughout their careers.

The most powerful combination, said respondents, is the balance between academic ability and practical experience.

None of the high-flying marketers in this study stumbled haphazardly from job to job. Each move represented a logical development towards their ultimate career goal. To move up the career ladder, they could see one job ahead. Some say that they work for smaller companies, because it is easier to get noticed and to make an impact.

What's gender got to do with it?

According to the women marketers we interviewed, nothing whatsoever. Marketing is the profession to be in if you want to be judged on results, they say. Moreover, most speak of a mix of personal qualities that predispose them to success.

"Women are perceived as less threatening," says Gill Whitehead, member of CIM's professional board. "I've never been aware of a so-called glass ceiling. We face a challenge though – there are still far too few women in higher roles across industry and this is a major detriment to organisations because women have a huge contribution to make."

The mix of creative and analytical aspects draws many aspiring marketers.

Is it any easier for women in this respect? The consensus is that the skill-sets needed in the marketing profession are attainable by those willing to maintain a leading edge.

"It's hard, but nothing worth having is easy," says Tess Harris. "I think women have the drive and foresight to move society on. In my experience women are keen to improve their professional knowledge and this thrills me."

Laurie Wood is philosophical about her experiences as CIM's first ever woman chairman.

"I chose to stay in academia but I was determined not to be locked in or lose sight of the real world. Changes over the last 15-20 years in marketing have been enormous so it's just as well."

A day in the life of a high-flying woman marketer

Giving biorhythms a free reign can boost productivity and personal satisfaction.

"I normally start work early, between 6:30-7:00 A.M.," says Christine Boswell-Munday. "I usually have quite a lot of evening commitments, but I like to be in the gym by 7:00 P.M."



Laurie Wood, CIM's first woman chairman says that while the location may change, the same basic tasks need addressing each day. These include correspondence, email, calls, planning events, dealing with staff, internal and external meetings.

Tess Harris is always in the office by eight. She checks her first emails with a cup of coffee and a copy of the FT. Her typical day involves a series of meetings, often 'audio' meetings with colleagues in far-flung places – Australia in the morning and California in the afternoon. She always allows time to do some thinking. She spends a lot of time with her team, because she's committed to keeping up the people skills.

Gill Whitehead says she doesn't have an average day, although she is not a morning person, and she often works late. She doesn't seek routine.

So how do you do it? The road to the top

Just as they have grouped, classified, and segmented products and services throughout their professional lives; so it comes as no surprise that many of today's marketers, including CIM's top women, are adept at grouping and classifying industry qualifications and skill-sets. The ideal qualification it seems for the ambitious marketer is one that is both universally recognised, and from a highly respected institution.

The ideal qualification it seems for the ambitious marketer is one that is both universally recognised, and from a highly respected institution.

Our own research has identified the 'Four Ages of marketers'. Trainee marketer, practical marketer, strategic marketer and business marketer. Our top women marketers subscribe to this framework, but also point to a combination of personal and professional qualities in explaining their success.

(cont'd on page 17)

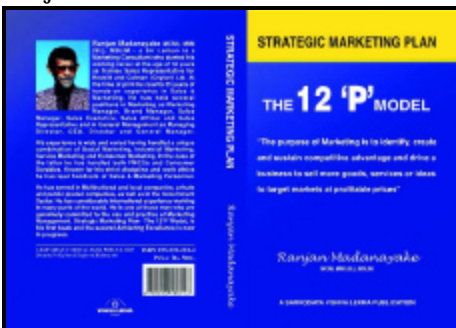
New member authors marketing book

Ranjan Madanayake, MCMI, MIM (SL), MSLIM, MCInst.M. has released his book, Strategic Marketing Plan—the 12 'P' Model. The book received commendation from the Sri Lanka Institute of Marketing at a ceremony following an evaluation by a panel of peers.



The 12 'P' Model is a new way of doing a strategic marketing plan where key activities at all levels are taken care of, be they marketing information, strategy, tactics or action. The book provides step-by-step guidance to construct a strategic marketing plan and also provides those in business organisations and those studying business management valuable information on the marketing process and its philosophy.

Ranjan can be contacted at ranjanm@sltnet.lk



The Chair's Message



Bruce Hoggard

Greetings and welcome to members of the Canadian Institute of Marketing. It is with great pleasure that I can report that our initiatives started about 4 years ago to restructure and re-organize are starting to bear fruit, in Canada and internationally.

In the task set before us, it was important to bring our communications in line with current technology, and we have done this through our Web site and electronic journal. All members wishing to be kept informed of Institute affairs have provided email coordinates to our manager. Email correspondence is the main vehicle we use for day-to-day communications.

Our treasury is in the hands of a very experienced member, Ron Fletcher, F.C. Inst.M. Under Ron's direction, improvements have been made to our bookkeeping, financial reporting, annual dues invoicing, and management of our debt. Each year now, our financial health improves and it won't be long before we can take on new projects.

The education and experience requirements of our Institute for full membership is absolutely vital to the advancement of our organization as a professional body—the home of professional marketers—and the credibility of our members who hold the designations G. C.Inst.M., A.C.Inst.M., M.C.Inst.M., and

F.C.Inst.M. The position of Registrar is key to the growth and success of the Institute. We have a highly qualified Chartered Marketer who fully understands the academic and experience requirements for full membership in the Chartered Institute of Marketing (UK) upon which our academic qualifications and experience are modelled. Tossnarain (Shiv) Seechurn, M.C.Inst.M., M.C.I.M. is our Registrar. He has taught courses in the diploma program of the CIM (UK) and is working hard to introduce the diploma and certificate programs into Canada through the Canadian Institute of Marketing.

James Schauer, F.C.Inst.M. has developed our marketing plan, vision and mission. This work will be presented at our Annual meeting now rescheduled for a date to be determined in July.

Other members are positioned to apply their skills as soon as they are called upon in such areas as communications, promotion, member services and continuing education.

The Canadian Institute of Marketing remains of prime interest to professional marketing associations in other countries and international marketing associations. Our profile in the APMF and WMA remains strong. A month does not pass at the Institute without inquiries and proposals from international private organizations and marketing associations to form alliances and offer services and products to Canadian marketers. We handle some ten to twenty inquiries weekly that come to us via our Web site.

I am pleased with our progress. Try and attend our AGM to enjoy the company of professionals and learn what you can do to help.

If you have any comments or questions you can contact me directly at bruce@hoggardinternational.com.

The lighter side of communications—Right Dress, Wrong Shoes

By Suzen Fromstein, M.C.Inst.M.



Suzen Fromstein

Today's comedy club audiences like off-beat, inconclusive and morally ambiguous "bits" or routines focused on gross sex, defiance of authority and destruction of public property, which formula by the way, not only gets you laughs, it may also get you your own show on the FOX network. However, a business venue is NOT a comedy club and speakers who take a comedy club approach run the risk of being seen as unprofessional - or worse.



Self-deprecating humour is another risky proposition and is best used only in internal business meetings or in situations where a personal relationship already exists with audience members. For example, self-deprecating remarks are not usually appropriate in a public address to a room full of strangers, especially when you are trying to convince them to buy your product, service or idea.

Occasionally however, as you can see from this example taken from a

mercial real estate sales executive on the merits of investing in Toronto, self-deprecating humour can be effective when used properly:

Set-Up: Toronto's airport, Pearson International, is Canada's busiest airport and the 25th busiest in the world. Vancouver International is the 2nd busiest.

Punch: In fact, we lose more luggage in one day than the rest of Canada does all year!

(Here, the self-deprecating "pride" in being incompetent, balances what some might perceive to be an arrogant boast).

What should you watch for? Obviously you'll want to avoid racist and sexist remarks as well as offensive references (Not sure? Ask!) Humour should always be appropriate to your topic and the audience. For example, unless your speech to shareholders is on insider trading, livening it up with a joke about incest is not a good idea.

Irreverence can be very funny if carried out with tact and wit. Here's an example from a comedy show for the after-dinner entertainment of a group of financial advisors from the same company, both men and women.



Head Office used the acronym "CFO" (the client's Chief Financial Officer) to describe their role in the financial planning process. Michael Nemiroff, who was the performer that evening (and is co-founder of our cor-

porate humour division), referred to the term and said that he guessed CFO meant — "See me, but if it doesn't work out, "F.O.!"

The audience — financial advisors, conservative people who would have been especially offended by gross language in front of a mixed audience - doubled over with laughter. Of course, everyone in the room knew what Michael was referring to, even when he didn't actually say it! The same comments would have been corporate "inappropriate" if Michael had been entertaining an external audience!

Also, inappropriate language may look appropriate when written into the speech script, yet sound inappropriate when spoken aloud. Speech writers must be sensitive to each speaker's normal tonal and pronunciation competencies. In order to determine whether the written words match the speaker, they must be spoken aloud, hopefully in front of the speech writer who can make changes to the script before the speaker is embarrassed in public. Otherwise, having the Right Dress (speech script) won't be enough to compensate for the Wrong Shoes (pronunciation).

Having the Right Dress (speech script) won't be enough to compensate for the Wrong Shoes (pronunciation).

To summarize the above points, whether you are speaking to your colleagues or a room full of your potential clients, humour has to be in good taste and roll clearly off the tongue.

Suzen can also be contacted at 416-699-2949, or suzen@writeconnections.to

hard work...cont'd from page 1

qualifications and opportunity to take marketing programs that are measured by international standards. The Institute re-established its ties with the Chartered Institute of Marketing in the UK and embraced its diploma program and courses as a benchmark for accrediting the marketing programs of Canadian universities and colleges and centres of learning in other countries. Plans are moving rapidly to finalize plans with a prominent Ontario Community College to offer the CIM (UK) certificates and diploma program as continuing education options. Agreements are expected to be announced in the summer issue



of this journal. This program, rooted in a local community college, provides the basis for the academic requirements of the Institute so that steps can continue for licensing of marketers in Canada through the Canadian Institute of Marketing.

Now that members can see some progress, they are volunteering their time to help existing members who have committed their resources over the past few years to such critical tasks as Web site management, international representation, accounting, review of membership applications, provision of office facilities and staff, publications, and organizing local events.

New members want to get involved. They have taken on responsibilities of liaising with educational institutions and developing curricula for marketing programs. Some assist your

manager in representing the Institute at career fairs and conferences throughout Ontario. Some have volunteered to work on membership services such as job postings and resumes on our Web site, and one Fellow of the Institute has spent days working on a model marketing plan that will serve the Institute well for years to come.

Others continue to dig deep into their intellect and prepare thoughtful papers for publication in *The Marketing Challenge*. These papers are posted on our Web site and read by people around the world who often contact the authors directly with requests and comments. Indeed, The Canadian Institute of Marketing is changing with the times and members continue to pull together, working hard to make change for the better.

Membership is growing, as is retention of members. Students who apply get their first year of membership free, so they can test drive the Institute as they contemplate a professional career in marketing. Most first contact with the Institute for membership comes through inquiries over the Web site. The manager works closely with interested candidates to help them through the application process so that they are assured that they are joining an Institute that treats its members as clients.

To be recognized by business, governments and academia as the governing body for professional marketers in Canada by 2005.

Mention was made of our marketing plan that already guides our budgeted programs. It has a vision to be recognized by business, governments and academia as the governing body for professional marketers in Canada by 2005. As ambitious as it is, we can make this happen despite our ongoing struggle with a deficit and small membership base. The

answer lies in communications and each member talking about the value of membership in the Institute and what it means to be recognized as a professional marketer. Our organization is small, but its members rich in qualifications and experience in providing professional marketing services. The message has to be proclaimed at every opportunity at every level of business, academia, and corner of our land. The resources of the Institute itself will not soon be large enough to carry out a sustained media campaign supported by ads and advertorials. Individual members working with each other and management at the Institute can make this happen. Sponsors will not materialize until there is a perception of value in supporting our Institute. This will come as members who become recognized as leaders in their fields point to their affiliation with the Canadian Institute of Marketing and the support they have received in achieving success through membership.

The mission statement of the marketing plan will guide us. **“To show Canadian business and governments how to benefit from using the holistic power of marketing, to support their goals in serving the needs, expectations and value perceptions of their customers, consumers and citizens, and serve in advancing innovative marketing knowledge and expertise among Canadian Institute of Marketing membership.”**

The Canadian Institute of Marketing is being shaped by its members, and not outside forces. It has survived many challenges and still has pain to suffer. But it is establishing itself as a credible organization representing professional marketers. Get on board now and help us tip the scale so we are known nationally as the home of the professional marketer.

New members and membership upgrades (to April 2003)*

Full Member	No. 672	Segun Festus Osisanya	Nigeria
Full Member	No. 673	Surendra Raghaven	Ottawa, ON
Full Member	No. 674	Lubaina Galely	Mississauga, ON
Full Member	No. 678	Ranjan Madanayake	Sri Lanka
Associate Member	No. 676	Susan Hughes	Edmonton, AB
Associate Member	No. 679	Freddy Chetty	Bahrain
Associate Member	No. 680	Ralib Fakim	Mauritius
Student Member	No. 675	John Michael Beddome	Barrie, ON
Student Member	No. 677	Stefanie Schram	Toronto, ON

Membership Requirements

Full Member:

- A) Has held an acceptable marketing position for 5 years, the last 2 at senior management.
- B) Hold a recognized qualification in any of the following, or mature entry instead.
 - A diploma of an Institute of Marketing;
 - BA, MA or doctorate degree with marketing specialization;
 - Diploma or university Post-graduate Diploma in Management Studies or Business Administration with marketing specialization;
 - Other educational or professional qualification of equivalent or higher standard with marketing input – approved by the Canadian Institute of Marketing or one of its affiliated marketing institutes.

Associate Member:

- A candidate must meet the following requirements:
- A) Has held an approved marketing position for 3 years, the last in marketing management at a lower level than for full membership.
 - B) With one of the following academic qualifications:
 - A Certificate of an Institute of marketing or, subject to its marketing component being approved by the C.Inst.M., a BA or MA in a business-related subject;
 - Diploma or University Post graduate Diploma in business Administration or in Management Studies;
 - Other educational or professional qualifications of equivalent or higher standard approved by C.Inst.M.

Graduate Member:

- A candidate must meet the following requirements:
- A) Have successfully completed an approved Marketing Certificate or Diploma programme from a recognized learning institution, or possess a business-related Bachelor degree.
 - B) Be elected by the Institute.

Student Member:

- A candidate must meet the following requirements:
- A) Be registered in a Marketing Certificate or Diploma programme;
 - B) Be registered in the final year of a degree programme with Marketing specialization. The Marketing component must be approved by, and the learning institution accredited with, the C.Inst.M.

Canadian Institute of Marketing Directors & Officers

Bruce Hoggard	Chair	Hoggard International
Ron Fletcher	Secretary/Treasurer	FCM Consulting & Marketing
Brent Armstrong		NEBS Business Products Limited
Dave Fernando		Sears
Suzen Fromstein		The Write Connections Inc.
Caroline Grimont		Paradata
Ron Halliday		Impact Visual Communications
George Jacob		Kingston College
Prasanna Perera		Tetra Pak Asian Emerging Markets
James Schauer		Easton Marketing Services Ltd.
Tossnarain (Shiv) Seechurn	Registrar	Canada Customs and Revenue Agency
Leonard Weeks		Manager, Knowledge Industry Development, Business New Brunswick



P.O. Box 1718
Holland Landing, ON
L9N 1P2

T: 905.877.5369
F: 905.702.0819
info@cinstmarketing.ca

WE'RE ON THE WEB
WWW.CINSTMARKETING.CA

To improve Canada's professional marketers' skills to the highest international standards by providing training, opportunities and services to business enterprises, government, learning institutions, students and members of the Institute

Code of Ethics

The professional marketing person has responsibilities to their employer, to customers — both ultimate and intermediate — to their colleagues and to the public. The Institute requires its members, as a condition of membership, to recognize these responsibilities in the conduct of their business, and to adhere to the Code of Ethics. All members shall be answerable to the National Council of the Institute for any conduct which in the opinion of the Council is in breach of this Code and the Council may take disciplinary action against any member found to be in breach thereof.

Suzen Fromstein, President

Advertising Marketing Graphic Design
Media Relations
Humour (Relatively Speaking Division)

416.699.2949
Persuade Motivate & Make Things Happen
www.writeconnections.to

Bruce Hoggard, CMC, MBA, MMIS/OS, F.C.I.NST.M.
CEO / President
435 Mckercher Drive
Saskatoon, Saskatchewan
Canada S7H 4G3

Tel: 306-374-6747
Fax: 306-653-7252

Email: bruce@hoggardinternational.com
www.hoggardinternational.com

1300 Yonge Street, suite 502
Toronto, Ontario M4T 1X3
Tel: 416-927-0881
Fax: 416-927-1676
www.warne.com

20 Moultreay Crescent
Halton Hills (Georgetown) ON L7G 4N5
T: 905.877.5369 F: 905.702.0819
glee@aglmarketing.com
www.aglmarketing.com

Big enough to move mountains small enough to care

FCM Consulting & Marketing
18783 Main Street North
RR#1 Newmarket, Ontario L3Y 4V8
Tel: 905-853-0958 Fax: 905-836-8288
Email: fletcher@fletcherfcm.com
www.fletcherfcm.com

This space could be yours for as little as \$300 for three issues. Rent the space and receive a free link to the Institute's Web site.

Canadian Institute of Marketing Accredited
**Business Administration—
Marketing Diploma
Two-Year Business—Marketing
Co-op Diploma**
www.georgianc.on.ca
705-728-1968

INTERNATIONAL TRAINING & MANAGEMENT COMPANY

Total Public Sector Marketing will return to Ottawa June 4-5, 2003. For an update on the seminar roster, speaking opportunities, sponsorships and exhibit space please call 1-800-358-6079.
www.siskindtraining.com/whatsnew.htm

DIPLOMA IN MARKETING
2286 Holdom Avenue
Burnaby, B.C.
V5B 4Y5 Canada
Tel: (604) 294-8813
Fax: (604) 294-3323
www.kingston.edu
Canadian Institute of Marketing Accredited