

Using all the pieces of the puzzle



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In the marketing/advertising industry, we are great at creating new words, names and abbreviations. It is hard to keep up with the jargon! Mostly it is simply re-naming something, or breaking a term or function up into smaller parts. So, as not to get side tracked, or make a mistake, I am going to use "old jargon" in this article, which all should understand.

Marketing was defined as the 4 P's; Product, Place, Promotion and Price. These are the four pieces of the puzzle marketing has to play with to create or support the brand.

How big is each piece of the puzzle?

If one takes "Marketing & Media" on Bizcommunity as an example, it almost seems that the "Promotions" piece should be 90% of the "picture"! This is the % of articles that address creative, media, digital, PR, activations etc. All actually part of the promotional strategy.



There is some focus on product, but no one focusses on pricing and distribution (place) strategies. **Forget** about the size of the pieces, just acknowledge / realise that the "brand picture" is not complete without all four pieces fitting perfectly.

Mistakes often made

Often the price point of a brand is determined by the financial and sales departments. In my opinion, a HUGE mistake. The price contributes hugely to the value perception of the brand. Something we all have done, proves this point; decanting a premium wine and filling the bottle with a "cheapy". Amazing how everyone raves about the wine, because they think it must be great! By the way, it has been proven that a high priced wine does influence our brain and makes us enjoy it more. If you ever do this to your friends, don't tell them! It might cost you the friendship. Rather giggle about it, while enjoying the premium wine, after they have left.

The obvious point I am trying to make, is that the price must reflect the positioning you are trying to achieve. If it is premium, price it accordingly. Many of SA's premium priced wines, spend virtually nothing on marketing. It is only the price that builds the perception of quality.

Another mistake that is often made, is leaving the distribution to the sales / distribution departments. Where the brand can be bought, reflects strongly on the value image. Staying with wine, one does not expect to find Dom Perignon in your local super market. Its image, price and perceived value does not fit with the channel. It would therefore negatively affect the brand image, should it be stocked in the wrong outlets.

Pick your distribution (place) according to the brand positioning you are trying to achieve. It is a fine balance between being in the right place and being available. Importantly, set % contribution by channel. Underperforming in one channel can have a big impact on the bottom line.

R&D often works closely with / reports to production, with little input from marketing. Yet, marketing is up to date with consumer trends and research. I believe R&D should report to marketing, while working closely with production.

How to build the puzzle

Make sure all the pieces are there! You do not want to get to the end and find there is a piece missing! All role players need to contribute, but most importantly "buy in" to the different strategies. This includes; production, finance, distribution, sales, R&D and marketing. Remember, the puzzle is only complete when all the pieces fit perfectly!

Need help? Give me a call.

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ABOUT ROLF AKERMANN

Passionate Marketing / Brand Strategist with substantial industry experience - Thrives on building and growing successful brands...

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