



Business Perspectives

Marketing Perspective

As a marketing practitioner I see the key aspect of the job as maintaining a clear focus on the organisation's customers. There are four main elements to this.

The first is identifying who the customers are, for instance, whether these be individual organisations such as IBM or Microsoft – or – whether these are groups of customers. In a previous post I have worked for an advertising agency where our customers/clients were mainly large organisations. My present job as marketing manager for a large financial service organisation involves identifying target markets for our products. We segment the market using variables such as age, lifestyle and geographical location and identify target audiences with similar needs.

The second aspect is understanding customers through research and insight. To be competitive we need to really understand our customers, their needs and how these are changing over time. Consequently I have recently been involved in commissioning market research which has highlighted some interesting results as to how our customers perceive our services compared to the competition.

The third aspect of the job is developing the products and services relevant to our target audience and positioning these in a competitive way through branding, pricing, communications and distribution strategies. My main role here has been in channelling the market research information and an analysis of competitors' products into the various teams who are focusing on these decisions. In my previous job we were organised on a customer basis but here we're organised on a combination of functional and product groupings.

The final aspect of my job is meeting our targets and key objectives. Marketing's main focus is on the revenue side of the profit equation. Through developing new products and communicating the benefits to the target audience, the marketing team aims to increase sales and market share.

Within this broad framework key objectives relate to increasing the number of products sold to individual customers; constantly improving the perceived level of service quality and innovation in both products and distribution. As for most organisations the key is to implement strategies and policies which will result in customer satisfaction and loyalty. In other words satisfied customers are likely to stay with the organisation, buy more services and recommend us to their family and friends. Developing the customer satisfaction survey together with the research agency has therefore been one of my recent tasks.

The main challenges can be broadly grouped into external and internal.

With external challenges we constantly need to assess the changing needs of our customers and the activities of our competitors. The various product teams require updating on consumer trends, particularly with respect to the impact of recession, changing attitudes towards financial products; competitor strategies (for example, with respect to new products); pricing policies and adoption of new technologies.

I'm also involved in managing relationships with advertising, market research and other agencies which can be problematic in terms of mutual understanding of objectives and priorities.

Internally, some of the greatest challenges relate to managing relationships with other functions, for example, with respect to finance, human resources and operations.

I've had to work closely with finance, for example with respect to establishing viable pricing strategies; individual customer and segment profitability as well as profit forecasts for individual products and product groups.

Over the years I've worked for a number of organisations and with finance departments who seemed to have quite different attitudes towards business, and marketing in particular. One source of conflict relates to budget setting, which of course is never enough. Research and advertising budgets are examples where I've had problems convincing finance that in order to build market share and achieve economies of scale we need spend on communications.

Establishing and maintaining good relationships with larger corporate clients has also required spending on customised development projects. What finance perceive as a relatively minor change in service quality resulting from a cost reduction, for example in staffing levels, can make all the difference to customer perceptions, satisfaction and propensity to switch suppliers.

Then there's human resources. The people side of the business in terms of numbers, skills and motivation will always have an impact on product quality, creativity and innovation which will impact on the product as perceived by customers. However, it's within the service industry context where the role of marketing and HR become inextricably linked. Here the people are the product. Of course it can be argued that for most customer transactions there will be some contact between employees and customers.

In my present job, marketing and HR have to work closely with respect to recruitment, training and design of reward systems. In particular I have to feed the results of service quality research into this. There can be problems particularly relating to communication and co-ordination, for example, new products have been launched without the requisite staff training. Potential conflict of objectives can also lead to problems.

In my experience a good working relationship between marketing and operations is essential but there are many potential problems. The exact relationship depends on the nature of operations but broadly speaking marketing establishes customer requirements in terms of quality and quantity for operations to use in their planning and development activities. Matching supply and demand is one of the major challenges. One of our recent advertising campaigns created more demand than the systems could cope with. One of my memories from my advertising agency days was when the client account manager agreed with the client to make major changes to the original specification without consulting with the creative or production team. A lot of people were very unhappy to say the least - the air was blue and there was blood on the carpet!

Part of the marketing role involves dealing with the challenges and tensions. Broadly speaking there are two main areas where tools would be useful. First, dealing with the elements of the job itself, for example, templates for the various marketing activities, e.g. selecting target markets, and indications of how these would change from one context to another, for example from manufacturing to services and from commercial to not-for-profit marketing.

Second, a more holistic perspective on the activities of the organisation, emphasising the pursuit of common objectives, effective communication and co-ordination, approaches such as cross functional teams and techniques such as the balanced scorecard, six sigma, project management and TQM.