

How marketing is becoming synonymous with advertising

[Business](#), [Marketing](#)



With the growing complexity and sophistication of the marketing function, marketers need to choose the right set of marketing technology based on a marketing maturity model. Peter Drucker once elevated the marketing function in his quote, "The business enterprise has two - and only two - basic functions: marketing and innovation. Marketing and innovation produce results; all the rest are costs." With time, marketing has been given lesser and lesser importance, so much so that today, almost every marketer faces hard questions about accountability. Let's look at excerpts from an article by Mohanbir Sawhney, McCormick Tribune Professor of Technology, Kellogg School of Management, which elaborates the state of marketing in the current scenario: Philip Kotler, in a conversation with the vice-president of marketing of a major airline, asked what he did in his job. Did he control pricing? "Not really," the marketing VP replied, "That's the yield management department.

"Did he control where and how often the airline flew or the classes of service it offered?" "Not really - that's the flight scheduling department," he answered. Did he control the services provided by the airline to its customers on the ground? "Not really, that's the operations department," he said. So what exactly did he control? "Well," he told Kotler, "I run advertising and the frequent flyer programme." Most marketers' jobs, at the end of the day, seem to boil down to creating collaterals, sending emails or designing beautiful websites. Day by day, marketing is becoming synonymous with advertising - while the core activities of marketing such as delivering qualified leads, linking marketing with critical business functions and generating new ideas are being put on the backburner. As a result of this,

<https://assignbuster.com/how-marketing-is-becoming-synonymous-with-advertising/>

marketers are finding it difficult to put across a strong voice during the process of organisational strategic decision making, leading to executive level attrition. The results of a CMO tenure survey, carried out by executive recruiting firm Spencer Stuart involving top 100 branded companies, is an eye-opener: the average tenure of CMOs is just 23 months - less than half of a CEO's tenure.

The major reasons cited for this situation are the failure of CMOs to speak the language of return on investment and to manage the increasingly complex environment of integrated marketing communication. A lot of marketing executives believe that measuring marketing performance is a key priority for their organisations to drive accountability and yet, only 20 per cent of the marketers have a formal marketing performance measurement system in place. To address this scenario and establish credibility in terms of creating customer value, CMOs need a combination of relevant marketing technology, with appropriate skilled resources to execute actionable marketing plans. With the growing complexity and sophistication of the marketing function, marketers need to choose the right set of marketing technology based on a marketing maturity model. At the early stage of maturity, marketers use marketing automation to manage content development, automate work flow and integrate back office work. Towards a later stage of maturity, dedicated marketing technology platforms come in to drive a customer centric approach - with the help of real time analytics and closed loop marketing processes linking every step in the marketing

lifecycle. To sum it up, the hurdle faced by marketers to achieve the ultimate goal of accountability seems to be twofold.

The first hurdle is the lack of defined marketing processes and metrics. For example, today, organisations have access to a lot of data but when it comes to marketing needs, due to lack of defined metrics and coordination with analytics teams, leveraging data to deliver key insights remain a challenge. The second hurdle is the lack of willingness to adopt a performance orientated mindset. One of the strong reasons behind this is the fact that marketing has been managed by creative thinkers and strategists who are quite averse to process oriented approaches. Therefore, an organisation-wide change in mindset is essential to determine the success of any marketing automation. An enterprise-wide marketing automation approach, combining the prowess of technology with a change in mindset, is essential to make the marketing function more accountable. This approach, called Enterprise Marketing Management (EMM), has been propagated to address the mentioned twofold problem.

Fundamental building blocks of EMM consist of marketing planning, campaign management, lead management and performance measurement. EMM will help marketers to plan, coordinate and measure the business impact of their branding and marketing efforts, addressing a broad array of marketing requirements/pain points such as:

- How was the marketing budget spent? Where were marketing investments made against key priorities?
- Which digital marketing vehicles provide the greatest return on investment?

Swiftly launch campaign in an agile marketing environment and

respond to marketing competition. • Predict customer behaviour to help understand the marketing mix and how investments can achieve the maximum marketing impact. • Reduce effort on manual consolidation and approval process. At the end of the day, the aim is to answer the famous riddle in marketing by John Wanamaker, founder of the first department store, " One half of my advertising budget is wasted. The trouble is I don't know which half. "