

Marketing: cloudy, with a chance of meatball sundaes



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In the words of Seth Godin,a lot of marketing these days looks like a meatball sundae, with your core offering being the meatballs and the topping being blogs, twitter, viral ads and product placement. Doesn't anyone feel the need to get back to basics?

Understanding something as fundamental as 'what drives purchase decisions in your category?' can be a cathartic process in the face of marketing snake oil. If you do not understand what drives customer decisions in your category, it is impossible to develop a potent offering, and it makes no sense to top up your offering with social media nuts (as yummy as that web 2.0 expert may look).

The generic drivers: price and quality

In the hotel category, when we choose a brand such as Formula One, we sacrifice a quality experience for a palatable bill at the end of a no-frills stay. Alternatively, if you offload a grand for dinner for two, your quality radar is turned to maximum. So, price and quality are the broad decision drivers in pretty much all categories of products and services.

There are, however, more important, category-specific drivers that we need to be aware of as marketers. It's basically about understanding what price and quality means for your category. For example, in the automotive category, we see measurable/functional drivers such as fuel consumption from the Toyota Prius but also more complex/subjective drivers such as the lightness of being one gets from choosing a green car.

Opportunity: introducing more potent drivers in 'lazy' categories

There are many categories where the incumbent brands have met their customers' decision drivers at a similar 'pitch' for many years, opening up opportunities for new blood. An example of this kind of incumbency was in the categories of washing machines and vacuum cleaners, where the fundamental design principles of these products hadn't changed markedly for around 100 years (barring the top loader idea in washing machines and greater portability in vacuum cleaners).

Two British companies, Dyson (www.dyson.co.uk) and Reason (www.reasonwashingmachine.com) subsequently developed products that met key drivers head on and stole significant market share from the players in these categories. In both cases, the innovators went deep into the existing customer experience and emerged from their garages with something slicker, more ergonomically intuitive, more effective and more energy efficient. So these were all drivers that were kinda there but had become lost in the stagnancy of incumbent market malaise.

iPad therefore iAm

In a new category life, is a bit more complicated as the consumer is still figuring out what would drive them to buy into the category in the first place, let alone figure out the pros and cons of any one product offering.

Apple has been very smart with its iPad 'gamble': despite the debatable long-term appeal of the whole category (the not-a-smartphone, not-a-laptop issue), it's capitalised on purchase drivers that it has a firm grip on, namely the opinion leader appeal of its products (coupled with the Mac community), as well as its brand appeal. So when the rest of the category is tinkering with the 'real' drivers in the category (and possibly outdoing them on raw specs), Apple has banked 500 000 units in week one just by being Apple.

iPod: the case study in 'nailing' category drivers

The iPod was a different story as expectations in the category of portable music were more mature, with the consumer having already used Sony's Discman and large MP3 players. Before the iPod launch, the desired functional drivers that made up the concept of portability, ie battery life, size of device and storage capacity, had not yet been 'nailed'. Apple managed to identify and deliver against these category drivers and, when the technical work had been done, so had most of the marketing.

Still, most pundits attribute the success of the iPod to the Apple brand and beautiful design and usability but this is merely the packaging that surrounds key breakthroughs the Apple team made in the area of music player portability.

What does all this mean for ad agencies?

The branding approach of Silicon Valley companies such as Apple and Google has been the biggest breakthrough in the field of marketing since the invention of TV advertising. Their marketing approach is the absolute primacy of one 'P', ie Product. Once a product development team has met the ambitious brief from a leader such as Steve Jobs, most of the marketing has already been done, as the famously vocal early tech adopters get ready to mount their soapboxes and sing the praises of the new offering.

The importance of marketing communications will wane as the web-enabled and more 'driver aware' consumer rejects the hollow sizzle of ad campaigns. Agencies therefore need to build deeper ideation capacity as the TV-industrial complex that was so profitable in the last century is officially on its last legs. The death might be slower in low involvement categories (eg FMCG) and in certain countries (where blind consumerism is still evident) but, with the advent of connectivity, the days are numbered.

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