

Tighter Markets Demand Smarter Thinking

Sponsored by SMA, this round table event was hosted by the American Marketing Association, Toronto Chapter, April 5th, 2001.

The Panel

Michael Cavanaugh, Vice President, Creative Strategy/Marketing, Personus

Chris Cory, Principal, Alphas Inc.

Lynne Dabols, Marketing Manager, Financial Services Sector (Global), IBM Corporation.

Marshall Golden, Director, Internet Wireless Services, Telus Mobility.

Jeffrey Zado, Director, Product Marketing, Sitraka Software.

This discussion was moderated by Nancy Helstab, Partner, BrandEdge.

Discussion Summary

Tell us about the business climate and how it is impacting you and your organization?

- “R” word is everywhere – the real question is: are we simply reacting to the “R” word or is it really happening?
- We're forced to take an integrated approach to business. Internet is still there, now we have to determine what use we can make of it
- Budgets are being cut – reality is less money to be spent BUT targets are going up. Do more with less means more to us today. Integration is key.
- Everyone in a climate of fear wants to have hope – wireless is the new hope as the Internet used to be
- What will succeed in the long term?
- Leveraging pre-existing off-line brands; expanding their market through the Web.
- Operating business more efficiently through the use of the Web
- Models that rely on multiple revenue streams
- The focus this summer will be on management business models, profit margins and profitability

Working with less money – how do you stretch the dollar?

- “Partner and leverage” is key. Leverage new partners and existing relationships.
- Integration. All marketing efforts must be broadcast to entire organization.

- The Internet has given us choices. The customer drives it in the end. Must provide the customer with alternatives. This is where partnerships help the business.
- Strategic Alliance Partners – every part of the organization must be knowledgeable of the partnerships.
- “One plan, one owner, one manager”.

How do you evaluate the partner to determine whether you want to partner with them in the first place?

- Partner with the best or those that will be the best (foresight).
- Four important questions to ask:
 - is the partner's business model flexible?
 - is the product the partner has a good offering for our client base?
 - is the partner viable – will not vanish overnight?
 - is it a good working relationship?
- Partnerships must have a mission and ambition of their own. What competitive edge is this offering going to have? Have a clear “exit” strategy to get out of the partnership if it is not working.
- Must understand the importance of strategic alignment of the partnership. “Competitive differentiated advantage” – where the power shifts to the customer.
- Whatever partnership you make, it should not take the focus away from your core competency. Be clever within your core competency but understand what the customer wants.
- Sign a deal with a partner around which “space” you are partnering with them on. Be very specific as to where you are headed with them.

How are companies reacting to the “R” word, by either in or out-sourcing marketing?

- Sometimes companies can't see the forest for the trees around their marketing plan. Tap into your own “human assets”. Align synergies between all organizations – leverage your own internal assets.

Final comments from the round table:

- Key things = need to focus on core competency and communicate better internally and externally to all the stakeholders.
- Know what you are doing – this knowledge yields strategy and success.
- Embrace new channels of technology that will enhance your business strategy and competency.
- Look within the organization past titles and roles – find the strategic knowledge from within your own resources.
- “Measure twice, cut once.”