

Knowledge is Power



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"Key Points of Effective Marketing: A Refresher Course" by Kirk Grundahl

In universities and colleges across the country, marketing and advertising students are learning about buying behavior, market segmentation and targeting, product life cycles, competitive market and new product development strategies, marketing communication, publicity, sales force decisions, etc.—all of the things I remember learning when I was studying marketing 20 years ago. I wish I knew then what I know now.

Real life experience can go a long way toward making textbook learning much more alive and pertinent. A healthy balance between what the textbooks teach and the lessons learned through trial and error in the “real world” marketplace is ideal for developing a successful marketing program in any company.

REMEMBERING THE BASICS

Traditionally, our industry has not been one that uses advertising to grow—unlike many of the industries that supply products to us. However, as the marketplace changes, a healthy marketing program is becoming more of a necessity. With this in mind, let’s take a look at the basic reasons that marketing is important. In a nutshell, a good marketing plan is successful in making sure that all potential customers know:

- Who the company is or believes that it is and the image the company is trying to portray.
- What products/services the company provides to the customers’ and potential customers’ marketplace.
- The key competencies the company has that can benefit potential customers.
- The unique services the company can provide.
- How the company is changing over time to meet the ever-changing needs of the customers and potential customers.

While this information is not likely new to many of you, it never hurts to be reminded of the most central goals of your marketing efforts. Now let’s take a look at some less obvious reasons to market your company and how marketing can be effective and ineffective in reaching these goals.

CREATING AWARENESS

Advertising is especially important when your company is not well known. It is an effective way

to establish an identity in the market and build awareness of your company or your product. Even if you are a well-established company, you can use creative techniques to make a fresh impression on the marketplace, as over time people might develop a perception that may not be accurate or they may even lose sight of your company.

While creating awareness is important, don't allow your marketing strategy to be too short-sited. Companies often overlook the advantages of long term marketing goals for short-term sales figures. One of the mistakes that many companies make is using advertising only to build awareness while repeating the same ad for long periods of time. Repetition may be paramount to the assurance of name recognition and the development of a slogan like "Fly the Friendly Skies," but one must not forget the importance of migrating advertising beyond repeated copy to the specific reasons why potential customers should buy your products. At some point the next step in the marketing plan must be taken, moving to focus on what makes your company and the products you sell the best on the market.

You can create a fresh perspective by telling your company's story in your advertising, beginning with one key idea that will be used in several initial ad placements. This may become the central, core belief or company brand you desire everyone to remember. Once you feel you have laid the appropriate foundation, then you can add sequential ad placements that build the story you want the market to hear on top of this carefully crafted foundation or branding strategy.

BUILDING A REPUTATION

The one thing that advertising will not do is make the sale by itself. It is only one of the many tools that companies need to use to grow their businesses. All businesses have areas of exceptional skill that set them apart. Advertising can be used to help potential customers understand what your exceptional skills are and how those skills can be used to make their day-to-day business decisions more profitable.

Once awareness is established, the next step is to build on specific features of your company or product, highlighting the benefits that you desire potential buyers to know about. From there you can channel customer desires by supplying all the reasons they should choose to purchase your products. As you add new people, make new products or change business strategies, these skill areas may change. You can revise your marketing strategies to communicate this to your customers. This cycle is repeated as new ad campaigns are created to introduce new products/services, build a new company awareness and refine your brand image.

Keep in mind, however, that you can make or break a company's good reputation by not being able to follow through on the image you have created with true and reliable benefits. Follow-through and promise-keeping are ultimately the keys to the prolonged success of any ad campaign and business strategy.

REFRESHING YOUR IMAGE

Advertising can also be used to build or change a company's image within the market. This is particularly important if you have been in business a long time and people remember you for a

product line or service you no longer provide.

A fresh marketing strategy that begins the awareness process anew and draws attention to what has changed and what has stayed the same can be an invaluable tool for a company's salespeople. Creating a situation where name recognition opens the door and an attention-grabbing message rouses curiosity in a new product or service makes sales efforts easier than if each sales-person was paving his or her own way.

This kind of strategy can also be used to correct misperceptions in the market and ensure that buyers have clear and accurate information. Again, focusing on top of mind awareness and name recognition is important with an emphasis on what is true and what is beneficial. Don't make the mistake of losing your market credibility and past recognition in an image makeover simply by changing too much or failing to hang onto what worked in the past. This is a delicate balance between what's tried and true and what's tired and over-used. Know that changing perceptions in the marketplace is not easy to do and will take a lot of time and effort. One ad will not change your company's image overnight; however, if done properly and given enough time, your company image can successfully complete a facelift.

CREATING A MESSAGE

Finally, message creation is probably the most important part of the advertising process. If you do not communicate the key points so that they are easily understood and quickly picked up, your advertising dollars will not be nearly as effective as they could be. Words must be found that are memorable and attention-getting. This begins with the headline or slogan or brand and carries through the rest of the ad.

One common mistake made by companies just starting to use advertising is that they try to say too much in a single ad. Considering that individuals are only exposed to an ad for a few seconds, it is impossible for them to pick up several messages in a single ad. The ad needs to focus on one simple and concise message.

CONCLUDING THOUGHTS

As consolidation in our industry grows and local firms in local markets evolve into regional firms in national markets or local firms in niche markets, advertising will likely become more important. Advertising is a dynamic process that takes a great deal more time and money than many companies realize. However, advertising does work and when done correctly can dramatically increase your company's image in the marketplace and positively impact sales and profits. Keeping messages relevant to your customer base so that they have a positive impact on growing your business will take time and dedication on your part. It is certain that the advertising function of an overall marketing strategy will become more important to all component manufacturers as our industry continues to evolve.

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