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LEARN FROM THE MISTAKES OF  
OTHER COMPANIES AND USE  
MARKETING SUCCESSFULLY.

# A SHORT COURSE In Avoiding Marketing Stupidity

BY JOHN R. GRAHAM

**IT'S** the issues we ignore that always get us. The CEO of one of the nation's largest banks thought the board of directors was backing him when they were actually quietly finding a replacement for him. How could he have been caught off guard?

Being caught off guard may be one of the most problematic business issues today. Just when we think we have our arms around something, particularly when it comes to marketing, we're not only surprised, but also embarrassed.

Here is a short course in avoiding marketing stupidity:

Avoid pushing your luck. It's tempting to try to leverage your success, but it doesn't always work. In 2002, VW launched the Phaeton, a luxury car that was a fine product by all accounts. But it flopped and then faded because of

poor sales. Consumers didn't buy the new image, in more ways than one.

Hyundai made the right moves by building on lower-priced, quality-enhanced vehicles with great guarantees. As consumers came to prize these products, Hyundai introduced a luxury sedan, the Genesis, to rival Lexus. The message to consumers: Hyundai keeps raising the bar.

The only successful marketing strategy is the one that resonates with the consumer.

Success can be blinding. For more than 60 years, Procter & Gamble has cleaned up with Tide, the world's top-selling detergent. But even winners like Tide can get caught in the wringer of a recession. Evidently, P&G thought nothing could break consumer loyalty to Tide, particularly with



such an incredible track record. They guessed wrong: the Great Recession changed consumer behavior, and they opted for lower-priced detergents.

As Tide sales went down the drain, P&G finally came out with Tide Basic for 20% less than the original. Waiting far too long to make their move, the delay not only cost sales, but a legendary CEO his job. In today's world, anything that blurs objectivity can lead to unexpected, tragic consequences.

Stop waiting for the past to reappear. Warren Buffet is betting big time that railroads will drive a spike in the trucking industry, 60 years after 18-wheelers rode roughshod over freight trains.

Unfortunately, it's easy to hope that what once was will reappear. Almost always, the ideal situation is modeled after childhood memories. For some, they yearn for home life like the Cleavers, for others paternalistic employers or "a simpler life." Perhaps this is one reason why Samuel Beckett's mid-20th century play, "Waiting

for Godot" has recently arrived on Broadway.

Most of us are waiting for something. Drycleaners are hoping millions of men will shake off "business casual" and once again go to work wearing the "business suit." While all things are possible, this one is even more doubtful now that Steve Jobs has been named by Fortune the CEO of the decade. By waiting for something to occur, we may miss major opportunities.

The evolution of technology is continuous. Such a statement seems obvious now. More and more offices are quiet today. The

phones ring far less than in the past. Using the phone, in fact, has become a sign of age.

Despite the digital revolution, libraries continue to buy hard copy books. Why would anyone want to carry about a book, when you can read it on a Kindle, an iPhone or some other electronic device?

Businesses send out e-mail messages to customers, but most fail to take advantage of the capabilities of gathering information from customers to focus on individual needs and wants.

Most businesses are still wondering how to make the most of social media, even though their employees are busy tweeting and building a following throughout the workday. The best resource for learning how to take advantage of social media is not only in our midst, but also on our payroll.

Going places is out. Is it too much to suggest that malls are passé, bank buildings are anachronisms, department stores are history and ATMs will soon outlive their usefulness?

Here's the point: because of technology, consumers see no need to take time to go places to take care of errands. It wastes time that could be better spent doing what we want. With remote capture, fewer businesses are sending an employee to the bank every day. Talk about improving productiv-

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ity. Even some consumers are depositing checks the same way from home.

If you can order a computer online that you have essentially designed, why can't you create a car online? Do we really need car dealers? Based on all the empty dealerships, we have the answer to that question. Of course stores, banks and movie theaters will not disappear completely, but their footprints will continue to shrink.

Get rid of your business cards. The business card is a 20th century phenomenon, with little or no place in a world where data is transmitted electronically. A box of 500 business cards used to last for a year or so, while today it is a career-long supply.

The continued use of business cards is also an example of how little things often lead us down the wrong path. It's as if face-to-face has more value than electronic communication. The shift is ongoing: mail is out, fax is out, voicemail is out, telephone calls are viewed as interfering, there are fewer and fewer face-to-face meetings and texting is making inroads on email.

Business cards were often an outrageously expensive way we tried to impress people. It's much easier for a v-card to find its way into someone's address book.

Forget about deceiving customers. Unfortunately, those handling Chrysler's advertising may have missed this memo. For example, the Chrysler 300's web site touts "Innovative Technology." When you check it out, the reference is to something called "UCo-nect," which has to do with web and cell access, navigation, satellite radio and music. It has nothing to do with automotive technology. It seems like a smokescreen to cover

up a lack of modern engineering, something consumers might expect from a car manufacturer. It may also help explain why Chrysler's market share is in the single digits.

The deception of customers is no minor issue. Since 1992, the Federal Trade Commission has told marketers they must have scientific evidence that a product will decompose in a reasonably short time for it to carry a "biodegradable" label. Yet, a number




of companies continue to ignore the ruling. In the same way, some manufacturers shrink the products without lowering the price. Pringles cut its contents and Kraft's American cheese slices became lighter (the box was the same but the slices were thinner), for example. When it comes to dealing with customers, transparency pays.

Nothing is forever. Companies take pride in permanence. "Established in 1831" suggests endurance and strength, or at least it did. Temple-like bank buildings exuded permanence. Today, these structures convey inflexibility and

seem out of touch with the times.

The recent recession brought us a whole new retail category: "brushfire marketing." With empty mall space the "pop-up stores" began appearing, creating excitement and the much sought-after buzz. Whether it was for a weekend, 30 days or three months, retailers from Gap to Hermes have been ringing up sales. There's also the "one-day online sale." Famed designer Donna Karan offered a \$1,695 purse for \$400.

In the 21st century, it's quite possible that permanence may be our Achilles' heel. Continuity creates comfort. At the same time, it can make us far too comfortable. Nothing is forever. Wonder whatever happened to travel agents?

Much marketing turns out to be an ineffective waste of time and money because it is based on faulty premises. We shouldn't be surprised when we don't get the results we expect. 

**JOHN R. GRAHAM** is president of Graham Communications, a marketing services and sales consulting firm. He writes for a variety of business publications and speaks on business, marketing and sales issues.