



<p><u>Demand generation</u></p> <p>Adequate leads: green</p>	<p><u>Loyalty generation</u></p> <p>Loyalty drives demand: green</p>
<p><u>Order generation</u></p> <p>Leads easily convert to orders: green</p>	<p><u>Product generation</u></p> <p>Products easily positioned by sales as a competitive advantage: green</p>

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Figure 1.

Determining and Influencing Your Marketing Status

By Ted T Turner, CoGen Marketing Inc.

Marketing creates preference and awareness for your company and your products. Preference and awareness generate leads. If your business has an abundance of leads, is marketing's job really done? In this article, I examine a case study on this situation. In fact, marketing has four key responsibilities: generate products and services, generate demand for these products and services, generate orders, and generate loyalty. Evaluating the status of each of these four responsibilities as a dashboard can effectively direct your marketing resources.

Product Generation Marketing

Marketing's role in product generation is value definition. Are your products and services competitive differentiators? Are your products delivering the value your customers demand? Does your value proposition solve your customers' entire problem? Have you validated your value proposition with these customers? Is your pricing correct? In today's markets, it is important to create and position essential products for your customers. It is also imperative that value is delivered to your shareholders.

Demand Marketing

Marketing's role here is twofold: externally it creates value awareness and internally its role is demand forecasting. Are you drowning in sales leads; or, are leads few and far between? Are you clearly articulating the value your products and services bring to your customers? Are you making this value real in your customers' minds? Are you making this value known to potential customers? Can you state what you do, what you do that no one else does, and how customers benefit from this? Can your customers tell you in dollars saved, time saved, or green (environmental) improvement how they benefit from your products? It is marketing's responsibility to give customers the ability to express this. Can you turn your demand marketing activities into a sales forecast? This is imperative for order fulfillment.

Order Generation and Fulfillment Marketing

Marketing's role in order generation is to ensure that your company delivers the value you sell. Do customers know where to find you? Is it easy to place an order with you? From your customers' perspective, is order fulfillment viewed as one of your competitive advantages? Are you accurately forecasting demand to keep supply in balance? Are you easy to find? Is it easy to do business with you? Are your products easily configured? Are your products designed for sales? Is your order fulfillment scalable to meet demand?

Loyalty Generation Marketing

Marketing's role in customer loyalty is to define the value experience. Have you created business systems that bias you to always do what you say you will do? Have you created barriers to exit to encourage customer loyalty? These could include frequent buyer programs, or embedded business services such as the banking

industry's auto bill pay service. Customer loyalty is the strongest and most sustainable competitive differentiator achievable in business.

A four-quadrant view of these four marketing responsibilities creates a marketing status dashboard (Figure 1). This high-level view enables actionable decision making. Evaluate each quadrant, and determine if you are red (not achieved) or green (achieved) in each quadrant. Some simple ideas for making this determination are included in each quadrant below such as "do you have adequate leads?" If yes, you're green, if no you're red. You may need to use other determinants for your business, but keep it simple; this is intended to focus your energy and resources.

Case Study: Using the Dashboard

In one example, a business currently is drowning in leads; demand generation is clearly green. In this case, demand generation is thriving because product generation is also green. When customers broadly know about a solution they want or need, they start lining up at the door. The high volume of leads in this case led to difficulty in managing orders. Many potential customers were not being called back and, therefore, their orders are not being booked. Worse yet, booked orders are languishing in order fulfillment. Order generation is clearly red.

Loyalty is currently feeding demand. In fact, many current customers are still willing to place orders even after being ignored. Is loyalty a green quadrant? The combination of poor sales response to leads coupled with poor delivery from fulfillment create enormous threats to loyalty. One might be tempted to make loyalty yellow. But is yellow really actionable? I suggest yellow is not a status at all, but simply an unwillingness to make a red/green status decision. To run the business effectively, you either need to take action or you don't.

In this example, order generation is clearly red. Loyalty generation is about to turn red. In fact, loyalty is currently designed to turn red, and that is what determines the real status (Figure 2).

Marketing has two action items: improve response time to leads and improve the fulfillment experience.

Both action items require an increase in capacity. By improving these two problem areas, loyalty can, hopefully, avoid entering actual red status. Also important, marketing isn't wasting time or resources on demand generation or product generation; marketing can focus on root-cause solutions in the problem quadrants. If capacity cannot be effectively increased, this business could potentially fail. Loyalty is the most important quadrant for sustaining any business model.

Typically, one or more quadrants are red, threatening one or more quadrants to become red. This is easy to theorize. If product generation is red, how do you create sustainable demand? If demand is red, what generates orders? If product, demand, and order generation are red, can loyalty be green? As a rule, bias marketing decisions for loyalty.

Conclusion

To create your marketing status dashboard:

- determine your weakest quadrant and think through the chain reactions on the other quadrants;
- perform root-cause analysis on red quadrants;
- and mobilize your marketing resources to change red regions to green.

Never allow all four quadrants to be green. Raise the bar, if needed, to turn a quadrant red. Creating and sustaining preference and awareness is a fiercely competitive battle. Your marketing status dashboard can give you the competitive edge needed to win that battle.

Ted Turner is president of CoGen Marketing Inc., which provides strategic marketing services with over 25 years experience in global business development. To contact him, visit www.cogenmarketing.com. Also read Turner's other articles on marketing your business, including [Competitive Differentiation: The Battle for Customer Perception, Part I](#) and [Part II](#).

<u>Lead generation</u> Too many leads	<u>Loyalty generation</u> At risk Caused by order generation problems
<u>Order generation</u> Can't call all of the leads Can't fulfill all of the leads	<u>Product generation</u> Good and getting better

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Figure 2.

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