

marketing that matters

10 practices to profit your
business and change the world

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An Excerpt From

***Marketing That Matters:
10 Practices to Profit Your Business and Change the World***

by Chip Conley and Eric Friedenwald-Fishman
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Why marketing matters

If a traditional marketing campaign is really well done it makes people say, “Great ads. I like those ads.” Values-led marketing evokes a different reaction. People say, “Great company. I love that company.” Which response is likely to foster a more long-lasting relationship?

BEN COHEN AND JERRY GREENFIELD, *BEN & JERRY’S*
DOUBLE-DIP: LEAD WITH YOUR VALUES AND MAKE MONEY, TOO

Marketing is about creating relationships. Yet people don’t want to be *marketed to*—they want to build a *relationship* with. A core question every company should ask itself is, “What kind of relationship am I building with my customers?”

Old-school marketing was based upon selling products or services. If you were a marketing executive and your company was launching a new product, you would call in your ad agency, look for a sexy or manipulative way to gain some “mindshare” from your target audience, and then spend the big bucks to sell your audience on why they should want your product. The relationship between company and customer would be purely transactional—not to dismiss the fact that loyalty sometimes would be created in the process.

New-school marketing is based upon satisfying needs. It recognizes that we live in a world of advertising pollution. Pushing product doesn’t work anymore, especially in the era of the Internet, when savvy customers can connect with each other and trade stories about your product—and your company—and can easily find alternative choices. Furthermore, it isn’t even all that

clear who your target customer is anymore since traditional demographics are no longer so predictable, and traditional barriers such as distance have all but disappeared.

In the past, the company controlled the relationship, but in today's remote control world, customers are no longer passive. In fact, customers have never been so powerful. And after years of being manipulatively marketed to, customers have a healthy skepticism about most companies. And right they should.

During the last four decades, Americans have had cause to be skeptical of all of our traditional institutions, from government to religion to media to business. These institutions have not been consistently trustworthy. So the newly powerful customer, who still desires and searches for deeper relationships and meaning, looks for new institutions to fill the values vacuum.

Fortunately, the emergence of a whole new type of company—the socially responsible business (SRB)—has been one of the most promising commercial developments of the post-Vietnam era. More mainstream Fortune 500 companies are realizing that they can do well by *doing good*. When we write about socially responsible businesses in the book, we mean to cast a wide net as it's remarkable how many businesspeople in small and big companies are determined to create an intersection of market and meaning in their business. Certainly, a growing number of customers are altering their buying habits to assure they buy from companies that speak to their values.

Socially responsible business leaders recognize that for-profit companies have a massive impact on the world and as a result have responsibilities beyond maximizing return for shareholders. These leaders do their best to balance their company's need for a fair profit with the environmental and social needs of the community and their employees. In essence, socially responsible businesses look at their relationship with their community as being long-term and sustainable—not short-term and transactional.

Ask a few socially responsible entrepreneurs what “sustainability” means to them and you’re likely to hear some very progressive ideas about how businesses can do a better job of taking care of the world. But they can incorporate environmentally and socially sustainable practices only if they have an operating model that allows them to sustain their business. Unfortunately, for many of these business leaders, marketing is seen as the ugly side of that operating model, a necessary evil when you realize that your bottom line isn’t able to sustain all of your aspirational business ideals.

Quite often, entrepreneurs passionately pursue a new business idea and launch their new product or service to the world with all the enthusiasm of a small child making their first mud pie. Too often, entrepreneurs are disappointed when they come to realize that, outside of their circle of friends, no one has ever heard of them or their company. Rather than feel victimized by this reality, entrepreneurs who truly want to build a sustainable business need to learn the ABCs of marketing and how these apply to their unique business. That’s where we come in. The voice of this book comes from two down-to-earth (or at least that’s how we like to think of ourselves) entrepreneurs who’ve applied these marketing practices to our own businesses and have had the good fortune to glean wisdom from our contemporaries in a variety of industries. The culmination of these experiences is presented here to help you find greater success in your endeavors through socially responsible marketing, whether you’re working for a green start-up or you’re part of the marketing department of a multinational corporation.

Chip started Joie de Vivre Hospitality nearly twenty years ago and has grown it into one of the largest independent hotel companies in the United States, operating more than thirty-five unique hospitality businesses. As CEO, Chip has helped the company win a number of national awards, including the Guerrilla

Marketer of the Year, the Hospitality Humanitarian award, and the Experience Stager of the Year. Named as one of the Top 10 Companies to Work For in the Bay Area by the *San Francisco Business Times*,¹ Joie de Vivre has one of the lowest annual employee turnover rates in the industry (25 percent versus the hospitality national average of 75–100 percent) and consistently receives the highest marks for customer satisfaction. With annual sales of more than \$125 million, Joie de Vivre spends less than \$50,000 annually on traditional advertising yet has a greater market share than its hotel competitors.

Seventeen years ago, Eric founded Metropolitan Group, one of the country's leading full-service strategic communications and social marketing agencies, with offices in Portland, Chicago and Washington, D.C. As creative director/president, Eric has developed brands and marketing strategies for many well-known socially responsible businesses, has developed corporate social responsibility (CSR) and community engagement strategies for large corporations, and has been a leader in applying strategic marketing to the needs of nonprofits and public agencies. Eric's work has won national awards including the Public Relations Society of America Silver Anvil Award. Last year, the brand Eric helped create for ShoreBank Corporation was recognized by *Fast Company* as one of the nation's top ten storytelling brands.² Eric is particularly passionate about harnessing marketing to drive social change and is the primary author of the Public Will Building Framework, a model for approaching strategic communication to creating sustainable social change.

We both describe our companies as socially responsible organizations. By this we mean that our goal is to operate our companies to be profitable, great places to work, and positive contributors to our communities and the planet. We recognize that our own companies are constantly striving to improve and have found that marketing is an important part of this discus-

sion. But that doesn't mean we're perfect. And you don't have to be either. Becoming a socially responsible business is a process.

We know some of you are involved with a small start-up and others may be part of the marketing department of a big company. While we haven't had the opportunity to interview each one of you about why you picked up this book, we believe you're looking for the following information from *Marketing That Matters*:

- How to build your confidence in the marketing arena so that you can understand what's worked and what hasn't for big and small socially responsible businesses.
- Language that can help you make your argument for why marketing is important to your business and how social responsibility can (and should) be factored in.
- An understanding of the core applications that you can use in your business, with specific tips for how you can immediately start using these practices.
- Inspiration from successful stories of businesses that have used the practices in this book.

Marketing That Matters is meant to be an easy-to-use field manual that you can refer to when you're deep in the trenches and looking for some direction. For those of you entrepreneurs who are sweating to meet payroll, we truly can relate as we've been there too. We're thrilled we can share these practices with you as hopefully they will help you grow revenues. Growing revenues has a miraculous affect on your ability to sleep at night.

We are not doctrinaire in our marketing belief system. Nor do we proclaim to hold the secret formula for marketing all socially responsible businesses. We believe the ten practices we'll introduce in this book are relevant to just about any company, but they are particularly useful to a company that's building a

values-driven relationship with its customers. We do our best not to be righteous in our presentation of these practices because we don't think that's a particularly useful means of marketing—from us to you or from you to your customers. Furthermore, we may surprise you with some of our marketing philosophies. For example, we believe that it's okay to market a lifestyle and it's just fine to try to connect emotionally with your customer. Taking that approach to your marketing doesn't make you socially irresponsible, but it does mean that you can be on a slippery slope so you just need to be conscious about how authentic and open you are in your communications with your customers.

Three subjects get us on our soapbox, and we'd like to clarify them right up front. The first is the use of the word *consumer*. We don't use it in the book except when it's in a quote from someone else. If I approach you as a *consumer*, that makes me a *producer*, and neither one of those words sounds particularly humane or relationship oriented. In fact, one of the chief complaints of capitalism is that it creates consumers who are unconscious of the impact of their consuming. So you won't see us use that word as it dehumanizes the relationship and creates the opposite of what an SRB is looking to do: satisfy needs and desires rather than promote consumption.

Second, while we're big believers in pushing the envelope with marketing practices, we're cautious about how SRBs can sometimes handcuff their own organizations. For example, we've seen SRBs with poor marketing campaigns that came about as a result of choosing process over impact. What we mean by this is that they were so tied to their dos (always include all the facts and details, spend your advertising dollars only in publications that support your politics and point of view, only market products and services that are critical to human survival, etc.) and don'ts (never print in full color, never use humor

in your marketing, etc.) that they forgot to ask, “Does this marketing approach have an impact on our customer?”

You will find that we see socially responsible marketing as inclusive of many techniques and practices that work for any business. Some provide SRBs with special advantages because they are better suited to carry them out and to be believed. Others require additional caution for SRBs because we can be held to a higher standard.

Finally, we get on a soapbox about narrowly defining marketing as a set of promotional tactics (advertising, PR, etc.). You will find that we see marketing as a broader business strategy that informs numerous choices critical to establishing, building, and maintaining customer relationships. We believe this is especially true for socially responsible businesses. So in this book about marketing, you will find us discussing human resources, supply chain, product development, and customer service strategies and examples because we see them as imperative to walking the talk of real strategic marketing.

Chapter 1 outlines our belief that marketing is a core part of business strategy. It’s not something you do purely to promote a product or service or to trumpet the philanthropic efforts of the company (although that can be an important part of a marketing strategy). Instead, developing a marketing strategy, along with tactics that introduce your product to your ideal customer, is one of the true basic foundations of business and is part of making key operations and management decisions.

Chapter 2 will help you delve a little deeper into the core mission of your company. We provide you with a list of key questions and tips that will help you clarify your value proposition, your values, your voice, and, ultimately, the soul of your business.

Chapter 3 adds a little accountability measure to the mix by way of asking, “What is your definition of success?” We introduce

a matrix that will help you think about your advancement of mission versus your return on investment. Most importantly, we amplify our belief that defining clear goals is an essential part of developing and executing a successful marketing plan.

In the next few chapters, we ask you to explore your relationship with your customers. Chapter 4 will help you become more aggressively customer centered by learning your audience's needs, desires, values, and perspectives. Whether you're creating an organizing principle for understanding your customer, encouraging your customer to help create the product, or tapping into listening posts to clarify how your customer feels about your company, we firmly believe that building a close relationship with your customers is one of the best steps you can take for your business.

Chapter 5 asks you to question conventional wisdom, something that may come naturally to socially responsible businesspeople but could be missed when they focus too much on "preaching to the choir." We ask you to evaluate your assumptions about your market—are you just preaching (or marketing) to the choir or have you imagined how your product or service can reach out to a wider audience? This is an important chapter because many entrepreneurs make the mistake of creating a product purely for themselves without considering how a few tweaks in their product or marketing could help them reach untapped markets.

Chapter 6 is required reading for any business with a desire to become more socially responsible and create a deeper relationship with their customers. This chapter explores the classic question, "Are my customers choosing my product or service because they like the tangible value it provides them or are they choosing it because they like the values that we're espousing?" SRBs are faced with a balancing act between communicating value and values to their core customers *and*

communicating them to their secondary customers. Get this right, and your customers will love you. Get it wrong and they're likely to ignore you.

We know that chapter 7 may bother some of you because our basic premise is that it's important to connect with your customers' hearts first and minds second. That premise is part of the reason many of us are disgusted with manipulative mainstream advertising. Yet to ignore human nature may make you righteous, but it won't necessarily make your business sustainable. This chapter explores how you can build a relationship with your customers by developing a brand story and an authentic voice. We will dispel the notion that SRB customers would prefer to wade through walls of statistics in a crowded marketplace. For most of our customers, emotions trump data.

Once you know your audience and have opened yourself to a broader market, communicated value and values, and connected emotionally with your core customers, it's time to empower your customers to be messengers for your product. Chapter 8 is all about building community to support grassroots, word-of-mouth marketing. This chapter will highlight the impact of trusted advisors, show you opportunities to build community around a brand, and amplify the importance of empowering employees, customers, and strategic partners to be effective messengers.

We finish the book with one cautionary chapter and one inspirational chapter. Chapter 9 espouses that authenticity is the bedrock upon which the marketing of an SRB is built and transparency is the insurance that keeps it on solid ground. This chapter demonstrates the importance of ethics and alignment with mission and brand promise in day-to-day operations of a business and across all business relationships. SRBs are held to a higher standard than most other companies. It's essential to be cognizant that you operate under a microscope, not just being

watched by your customers and the community but also by your employees. SRBs have an opportunity to create a distinctive relationship with customers based upon trust that comes from creating authentic experiences and authentic marketing. They must walk the talk. Do you?

Finally, we finish with chapter 10, which suggests that business can be a platform for changing the world. Businesses have powerful voices and extensive reach. The communication and marketing tools that engage employees, customers, and community members offer a unique opportunity for businesses to leverage the power of their voice to effect positive social change. This chapter explores how your product can directly serve as the message for social change and how your marketing can amplify voices for change, and it gives you techniques to empower customers and communities in these efforts. You will read some powerfully inspirational examples of businesses that have not only helped change their industries but have also helped change the world.

Throughout these chapters, you will read numerous examples of socially responsible businesses from all sorts of industries—from adventure clothing and gear (Patagonia) to household supplies (Seventh Generation), and from children's toys (Wild Planet Toys) to socially responsible banks (ShoreBank). Some of these businesses may be familiar to you; many may not. We also point out examples of large and mainstream corporations using these practices to demonstrate their potential scale and broader use. We mix in our own companies' experiences where we can add personal perspective and to illustrate that the practices also work for service businesses. We hope that using a diversity of examples from various industries, regions, and sizes of companies will give most of you the chance to see your own needs reflected.

We also thought it would be helpful for you to see how one company uses each of these practices. So in each chapter you

will find a serial case study featuring a Portland-based company called New Seasons Market. We selected New Seasons because it is a great example of each practice, because it is relevant to readers with large and small companies (New Seasons is a mid-size company with over one thousand employees that was a start-up just five years ago), and, in the spirit of full disclosure, because Eric knows New Seasons' leadership well and has worked with their employees on their marketing.

Upon finishing this book, we hope you will have a new appreciation for how marketing is an integrated and holistic part of any business enterprise. We hope that you will take the ideas that are shared and scale their use to your own needs. For some of you, that will mean developing detailed strategies based upon the ten practices. For others, it will simply be asking yourself some of the questions we illustrate that can help you make better choices.

Marketing is truly about creating relationships. But for SRBs this is about more than just the quantity of interactions with the customer. What is essential is the quality of those interactions, which help to build relationships that result in friends for life. We hope that you can use the information and ideas in this book to build meaningful customer and stakeholder relationships. We believe you can benefit your business and positively impact the world by leveraging *Marketing That Matters*.

Don't fear marketing

PRACTICE 1: USE MARKETING AS A CORE BUSINESS STRATEGY

“Marketing is just smoke and mirrors.”

“It’s all about selling people things they don’t need at prices they can’t afford.”

“Marketing uses slick ads and exploitative tactics to take advantage of stereotypes, fears, and unrealistic fantasies.”

“No one but large corporations can afford it.”

“Unless you have a sophisticated marketing department, an ad firm, a PR agency, and millions of dollars, don’t even bother with marketing.”

“We’re not ready for marketing. Once we have finalized the product, worked out the bugs, and seen how it works, then we might invest in it.”

We’ve all heard and, at times, hidden behind these myths. Marketing is often seen either as a shady practice—not appropriate for a socially responsible business—or as a mysterious and expensive luxury that few companies can afford. Clearly, you are not a true adherent to either of these beliefs or you would not be reading this book—or maybe you’re just curious. In any case, while many examples of marketing are not being

used in either an ethical or an effective manner (and the same can be said for accounting, law, human resources, information technology and any other business function), solid marketing is a key component of business success that can support both the financial and social bottom lines of your organization. But to make sure we're all on the same playing field, and to take the mystery out of the word, let's take a few moments to talk about the term.

Many people use the term *marketing* to refer to a broad set of promotional and outreach activities aimed at communicating a business proposition to customers and other important audiences. These activities often include advertising, media relations, direct mail, promotional offers, online promotions, sales materials, and other marketing tactics. While all of these tactics are important applications of marketing (and many will be referred to as practical approaches in later chapters of this book), it is the definition of marketing as a strategy—or strategic marketing—that is our primary focus.

Strategic marketing is acquiring a deep understanding of the needs and desires of your existing and potential customers and designing your business (products, services, delivery mechanisms, customer experience, branding, outreach, etc.) to meet and exceed their needs and desires. When energy bar leader Clif Bar developed the Luna bar, the core idea for creating the product—active women need an energy bar and have different nutritional needs than men—was a demonstration of the pure definition of strategic marketing. The strategic marketing decision to design an energy bar specifically for active women then led to many other strategic and tactical choices regarding product design, branding and packaging, product distribution, community partnerships and, ultimately, promotional and sales strategies.¹

At its core, good strategic marketing can be deeply aligned with building a socially responsible business because it demands a constant focus on the customer's needs, drives development of quality products and services, and often encourages alignment with customer values. Thus, the first practice of *Marketing That Matters* is simply to use marketing as a core business strategy.

The practice of using marketing as a core business strategy really boils down to defining and utilizing marketing as a central function of *business planning* within your organization. Thinking about marketing as a baseline of business development and ensuring that marketing-based questions and analyses are present and utilized in all business planning processes, makes marketing an integrated business strategy. Rather than mapping out the product concept, price point, manufacturing and distribution plan and then asking, “How will we sell it?” adherents to this practice ask, “How do we design the product concept, set the price, et cetera, to best meet the needs of the market?” This is a hallmark of a customer-centered marketing approach. Just think about the repackaging of single servings of yogurt so that they no longer require a spoon. By putting yogurt in a tube and making it more convenient as an on-the-go snack, companies developed a product that responded to a need of busy parents—healthy snacks they could pack in a lunch box or send on a play-date with no muss or fuss.

Core Applications

We have identified three applications of using marketing as a core business strategy to help integrate this practice into your business:

1. Make sure that marketing is “at the table” from the beginning.
2. Distinguish between strategy and tactics.
3. Develop and use marketing plans.

Make Sure That Marketing Is “At the Table” from the Beginning

In some companies, marketing efforts are orchestrated by a dedicated marketing professional. In many others, marketing is executed from the corner of an entrepreneur’s desk and competes with all other business needs for his or her time and attention. Regardless of the capacity and sophistication of your marketing resources, making sure that the marketing mind-set is at the table from the beginning of each major business decision—and throughout the development process of a company, product, or service—will help you avoid pitfalls, expand opportunity, and drive success. This requires broadening your view of the tasks you define as marketing—from designing for the market from the beginning of your development process to figuring out how to sell once the development process is complete.

Silk has become a leading soy beverage brand and helped define the soy milk market because the product was designed to align with customers’ habits and desires. Silk used the marketing perspective of understanding customers to make key strategic choices about how to position the product in the store and in customers’ minds. Customers were used to grabbing a half-gallon of milk in a carton with an angled top from the supermarket dairy case rather than hunting for a flattop box in the health food aisles. Silk’s marketing choices included the package design (just like a traditional milk carton), distribution strategy (at mainstream grocery stores), and in-store location (in the dairy case next to the milk).²

To help establish the marketing mind-set, we have filled this book with suggestions of the questions and perspectives

that need to be at the table. Each practice we outline in chapters 2 through 10 will help you integrate a marketing point of view into the life of your business. If you do nothing else after reading this book, make sure that someone in your company is assigned to take a marketing perspective and to ask tough questions at every key business meeting. This will enable you to make better choices and help you advance your business goals.

Distinguish between Strategy and Tactics

Many marketing efforts do not maximize and leverage resources because they invest in marketing tactics before establishing a marketing strategy. Similar to purchasing Sheetrock, pipes, and windows prior to developing a design concept and blueprint for your home, focusing on what your ad will look like before identifying your priority audience and your core value proposition creates waste, inefficiency, and missed opportunities. Marketing strategy encompasses the development of clear goals, identification of the audiences or customers who must take action to achieve these goals, understanding of the core product or service proposition that meets audiences' needs and desires, and development of key emotional and intellectual messages needed to move the audiences to action. Marketing tactics are the means or tools that deliver the messages to the audiences.

Since marketing tactics are more tangible than strategies, many companies naturally jump first to thinking about—and at times even developing—an ad, media release, brochure, Web site, or other promotional tactic before establishing a strategic framework that helps them identify which tactics will deliver the greatest return on investment.

Keep the following points in mind to help distinguish between strategies and tactics:

Marketing Strategies

Marketing Tactics

Identification of measurable goals and objectives

Direct outreach (employee and customer communication, customer experience, design, etc.)

Understanding of audience needs, desires, values, options, etc. (see chapters 4 and 5 for more detail)

Collateral material/print presence (packaging, brochures, sales sheets, etc.)

Segmentation and prioritization of audiences

Online communication (Web site, viral marketing, etc.)

Development of core business, product, or service proposition

Advertising (print, electronic, online, out of home, etc.)

Identification of your outreach approach (e.g., engage true believers, demonstrate the lifestyle, link to community values, etc.)

Public relations (media relations, community relations, public affairs)

Selection of tactics to implement your approach (see list in right hand column)

Promotions (contests, events, discounts and incentives, etc.)

ColorGraphics in Seattle is one of a small number of printers on the West Coast that is certified by the Forest Stewardship Council (FSC). It utilizes rigid water and air quality standards, careful paper use planning, and fast-drying UV inks that emit fewer toxins—all of which reduces its impact on the environment and produces a higher-quality print product. ColorGraphics wanted to create a brochure to better sell its “green printing” advantage. But prior to developing the brochure, the leadership took a step back and asked, “Who are our current customers and our desired customers, and why will they select us?” They conducted executive interviews with print buyers and CSR man-

agers, learning that their company's potential customers thought of green printing merely as using recycled paper and considered price and quality as the main decision drivers.

ColorGraphics learned that it needed to educate the market about green printing and get the "better quality" message up front: its green printing process wasn't just environmentally responsible, it was of better quality. The leadership team decided to create a marketing strategy that defined their message framework, segmented their audiences, and served as a guide for the development of a brochure and identification of other tactics that would effectively educate the market. ColorGraphics began its process by determining the need for a new brochure (a tactic) and moved to addressing the need to educate the market about green printing and refining its message (strategies).³

Very often, clients' first communication with Eric's agency will be to declare that they need a brochure. Eric's agency then asks the following questions:

- What business goal is the brochure designed to advance?
- Who are the target audiences?
- What do we need them to do?
- What do they need to know in order to take the action we want?
- How will they get the brochure?
- How will we get them to read it?

Once clients hear these questions, it often becomes clear that a strategy, and not a brochure, is the first need. A marketing strategy answers the first question of whether a brochure is the right tool and then, if it is, how it should be designed. Whether you are driven by saving trees, saving money, or seeing a return on your marketing investment, asking *why* every time

you say or hear, “We need a _____,” will ensure a better bang for your buck.

So each time you’re in a meeting and discussion of a tactic begins, ask yourself or your team, “Is this effort based upon, and in accord with, our marketing strategy?” If it isn’t, or if there is not a strategy in place, capture the good ideas about tactics and set them aside while identifying your strategy. You can then return to the tactical ideas, develop those that advance your strategy, and discard those that do not. In short, never do tactics before strategy.

Develop and Use Marketing Plans

A simple discipline to ensure that marketing is a core business strategy, and that strategic marketing is driving tactical choices, is to use a written marketing plan or framework for every major initiative (business launch, product or service extension, new market launch, etc.). The act of writing down your plan demands that you ask and answer core marketing questions. This produces more informed choices and makes it easier to communicate your strategy to other team members and partners.

Before succumbing to the myth that marketing can be done only by those with deep technical knowledge and big budgets, keep in mind that marketing plans can be tailored to fit the resources and market potential of each venture or individual project. A marketing plan developed to roll out a new menu for a single-location restaurant and a plan developed to roll out a national product will justify significantly different levels of time and resource investment. However, both plans ask the same fundamental questions. Whether written on the back of a napkin and pinned to your bulletin board or developed by a multi-disciplinary marketing team and presented to your investors, taking the essential step to clearly define your proposition, and

the strategy to connect it with the market, helps drive good decision making and effective marketing. While every business benefits from this kind of planning, we have found that many socially responsible businesses shy away from it. So grab your napkin or your laptop and ask a few basic questions:

- What are our business's mission and vision?
- What measurable goals do we need to accomplish and advance our mission and vision?
- What market needs/desires are we seeking to fulfill?
- What customer/audience segments are we targeting?
- What do we know about each segment's needs, desires, relevant habits and behaviors, communications and media preferences, and core values?
- What is our compelling market and value proposition (the unique benefit customers receive in exchange for their purchase)?
- What is our compelling values proposition (the unique social benefit customers create/share by voting with their dollars)?
- What are the key messages (emotional and factual) that are critical to motivate action by our target customers/audience segments?
- What are the most effective marketing tactics to deliver the message to customer/audience segments?
- How much do we need to invest in time and money to be effective?
- Who needs to be responsible for each task and what are their deadlines?
- How will we measure success?

In the following chapters, we will look at practices that further define, illustrate, and answer these questions.

ShoreBank Corporation is the nation's first and leading community development bank holding company. It operates banks in Chicago, Cleveland, Detroit, and the Pacific Northwest and offers consulting services around the world. ShoreBank pioneered the combining of socially responsible deposit accounts with lending that develops affordable housing, invests in minority-owned businesses, and funds green building and environmental projects. After nearly thirty years of business, the bank saw a need to refresh its brand and make it better known. What began as a brand development process soon identified the need for a strategic communication plan and a more consistent and strategic approach to marketing.

ShoreBank answered the list of marketing questions referred to above, learned a great deal about its customers and potential customers, and developed a strategic communication plan. The plan put in place a more customer-centered approach to designing marketing materials, the bank's Web site, and public relations activities. It also called for the creation of a marketing planning worksheet that helps managers ask strategic questions as they develop their marketing tactics. And the plan helped ShoreBank make the decision to redefine its marketing department and to hire a marketing strategist to lead the team and also serve as an internal consultant and coach to managers across the company.⁴ Mary Houghton, one of the four founders and president of ShoreBank Corporation, sees firsthand the changes that the strategy has created, "We started investing in marketing strategy and management capacity and there is now constant attention to marketing with solid pay-offs."⁵

Remember, there is value to writing down a plan. The process of asking and answering the questions listed above and the act of committing your plan to paper (or to an electronic document) will force you to make better choices, create a road map

to guide your marketing efforts, and help you get more value from your investment of time and money.

NEW SEASONS MARKET

USING MARKETING AS A CORE BUSINESS STRATEGY

New Seasons Market was founded in 2000 by three families in Portland, Oregon. They now have six stores, with three new locations under construction, and over one thousand employees. In *Grist Magazine*, natural business trailblazer Paul Hawken highlighted the importance of stores committed to supporting the regional food economy and used New Seasons as an example, "To me the company that is exemplary is the New Seasons Market in Portland, Oregon. They buy everything they can locally. These are real community food stores with wonderful food and fresh produce and fish. They know the purveyors. They talk about them. They really feed and enhance the local food web of Oregon and Southern Washington and Northern California. They are to me your model of what a grocery store can do to help farmers and citizens and communities."

In developing the concept for New Seasons Market, the founders looked at the audience of health-conscious customers and foodies and at the larger audience of weekly grocery shoppers. They realized that an unmet need existed to provide great natural and organic foods, plus incredible quality and variety, along with the basic groceries that most families buy and the shopping convenience that most families need. They knew that beyond the true believer market of deep green customers and galloping gourmets, there existed a much larger market looking for organic produce and Frosted Flakes for their kids, the finest balsamic vinegar and Diet Coke, the option to be socially responsible with their grocery budget and stop at just one store for their weekly shopping. An efficient checkout

line and the chance to get some cooking advice and meet local farmers would also appeal to these shoppers. In other words, there was a golden opportunity for a value proposition that combined quality, convenience, and experience. Brian Rohter, one of New Seasons Market's founders and its CEO, describes developing the model: "It was important to create a shopping experience that was familiar and viewed as the neighborhood store and not some natural foods Mecca or oasis. We recognized that most people don't just eat natural foods. When we go to friends' houses and open the refrigerator we also see Diet Coke, and presliced cheese for their kids' sandwiches. We thought that people should be able to get it all in one shopping trip—ultimately, eat and let eat."⁶

In developing the business plan, store designs, inventory mix, brand identity, and staffing and service model, the New Seasons team kept a marketing perspective for telling the story at the table for each planning meeting. This effort included recruiting a core team of people who met around the kitchen table to specifically play this role.

New Seasons put a priority focus on developing overarching marketing strategies before making decisions about the supporting tactics. A few of the key strategies included

- Developing a brand that firmly positioned the company as a primary grocery store and a store for everyone—"The ultimate neighborhood grocery store"—rather than a specialty, natural foods, or alternative store.
- Designing the in-store customer experience to "walk the talk" and using this as a primary marketing vehicle, which includes a staffing model and customer service focus that will provide customers with a comfortable, fun, and easy shopping experience.

- Providing health, nutrition, environmental, and socially responsible messages as opportunities for customer discovery, rather than using prescriptive and judgment-based orders.
- Developing a marketing plan format for planning sessions and then turning it into a simple document for each store opening, product rollout, or major initiative.

According to Brian, "Telling the story about what we do and why we do it is as important as how we do it. People have lots of choices about where to shop for groceries and our job from the beginning was to let them know we were doing things in a different way. I remembered all of the shops I have seen with great stuff inside and friendly staff, but not one customer—because they didn't take the storytelling side seriously."⁷ From day one, New Seasons Market embraced—rather than feared—marketing.⁸

Don't Fear Marketing

Strategic marketing is not a prescribed set of tactics. It is not a veil of spin to push products or services. It is not a mysterious and Byzantine faith to be practiced only by an anointed few. It is a focus and a discipline that helps you understand the needs and desires of the marketplace and make strategic choices that effectively leverage your resources. Strategic marketing drives success by connecting customers with your answers to their needs. A business that offers the best product or service in the world is great only if it responds to real needs and meets customer desires, and even then it's great only if customers know it exists. Strategic marketing does more than move product. It also positions your brand, advances your causes, and creates

real relationships with your customers. Strategic marketing drives success for all the bottom lines of your business—particularly your goals for social responsibility.

Now let's delve a little deeper into the core mission of your company and explore ways to clarify your value proposition, your values, your voice, and the soul of your business.

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