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The Perfection of Marketing contains the best practices of marketing in three main steps your company can logically implement for superior marketing results. This book is a conversation between a company CEO and a brand marketing expert about overcoming bad marketing habits with best practices.

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Chapter 1 Summary

There are three engines of business: Operations, Finance, and Brand Marketing. Most businesses struggle along on the first two engines. Good businesses become great when they kick in the third engine of business, Brand Marketing.

Everything you need to know about marketing can be brought together in three logical steps.

Chapter 2 Summary

There are three levels of branding: 1) An identifier of goods and services, 2) A promise of consistent experience, 3) Owning a single idea that tilts sales in your favor. Only the third level of branding creates a competitive advantage for companies.

People think in pictures. The Sales Moment is triggered when the movie of unmet needs playing in your target customers' mind matches the promise of your product or service. The Sales Moment determines the one idea you should own.

Chapter 3 Summary

To correctly position the brand you must identify your ownable Sales Moment. You do this by triangulating customer desires, strategic advantages, and what you can do better than your competition. Focus around one brand idea is the very essence of great marketing.

Smaller businesses defeat giants when armed with a precisely defined Sales Moment that better fulfills customers' unmet desires.

Chapter 4 Summary

A brand is a single mental image that tilts sales in your company's favor. It is made up of four brand elements: name, logo, tagline, and ad campaign image. From a potential customer's perspective, they are experienced nearly simultaneously.

To create a powerful brand, all four elements must quickly communicate the Sales Moment. If they don't, the brand elements create a weak mental image or send mixed messages—potentially confusing your target customer.

Businesses grow rapidly when the mental image from the four brand elements triggers the Sales Moment.

Chapter 5 Summary

Company brand names should reflect the Sales Moment and help you own a mental image. What we call things is important: the label creates mental images that influence the sale.

Three-letter naming, following the example of IBM and AT&T, is the single worst mistake in company naming. Those giants were quasi-governmental monopolies from the early 1900's. In the cluttered contemporary marketplace, three-letter names create weak mental images. As initials do not convey a Sales Moment, this makes acronym naming a poor choice.

There is only one reason to change a company name. If by doing so, you can make more money.

In a cluttered market place, a name change often provides a great opportunity to focus attention and new interest on a company to articulate what the company stands for.

Name change announcements have to be handled skillfully and there is a clear process for doing so to maximize marketing results.

Chapter 6 Summary

There are six types of naming to consider in creating a powerful brand name: Functional, Metaphor, Energy, Morpheme, Historic, and Family.

1. Functional naming uses a key product feature that you want to own.
2. Metaphor naming uses a word that suggests the key value of your brand.
3. Energy naming uses words that convey the emotion, action, or tone of the brand.
4. Morpheme naming uses the small syllables of a word to convey essential meaning.
5. Historic naming uses an historic, character, event, or location to embody a brand.
6. Family naming uses fictional or real names, usually from the founders.

Pay careful attention to make sure your name is available for Federal Trademark. Initial searches can be done through the U.S. Patent and Trademark Office database at www.uspto.gov.

Avoid choosing a name based on what you like. Choose the brand name from your customers' perspective.

Chapter 7 Summary

Simplicity is the key to a great logo. Simplicity's purpose is memorability. Customers can reconstruct a simple logo easily in their mind, making a clearer, more powerful mental image. The stronger the mental image, the more likely they are to remember and choose you.

The four main attributes of famous logos are: simple in a symbolic way, memorable, differentiated from the competition, and tell a story.

The story the logo tells should be closely related to the Sales Moment.

The main benefit of repositioning a brand all at once is you can create synergy between the Sales Moment you want to own and the name, logo, tagline, and campaignable image—creating a vastly more powerful brand.

Chapter 8 Summary

Every company needs a tagline. Taglines are a great opportunity to shout why a company is relevant to target customers. Taglines are the soul of a company.

The two most common mistakes with taglines are not having one or using a generic description of the company's goods and services, which does not differentiate the company from competition who supply the same product.

Great taglines come in three types:

1. Promise taglines that are based on a key brand attribute.
2. Call to Action taglines that invite customers to join because they share the company's philosophy.
3. Memory taglines that use a poetic device playing off the name or logo to help people remember your brand.

Chapter 9 Summary

In the history of the world, there only have been four types of advertising campaigns that both build brands and drive sales. They are: the Word Hook, the Character Hook, the Repeatable Theme, the Consistent Layout.

1. The Word Hook is a repeatable catch phrase from ad to ad.
2. The Character Hook uses a hero, villain, or victim to embody a key attribute of the brand.
3. The Repeatable Theme is a situation that plays out again and again calling out the need for a company's product.
4. The Consistent Layout uses a unique design look then repeats those elements at each touchpoint.

The average American encounters between 300-3,000 advertising impressions per day, and the numbers are increasing for every country. Your greatest adversary is ignorance—that your potential customer is not thinking about your company.

These campaign types serve as handles—entering points that allow information to be processed quickly to explain your relevance to a potential customer. These campaign types also create powerful mental images allowing the potential customer to remember your brand.

If you are not using one or more of these techniques, there is the highest probability that your marketing is not making money for you.

You need to change your advertising campaign only when the current one isn't growing sales. When a company correctly identifies its Sales Moment and uses these techniques, they can run the same advertising campaign for many years.

Chapter 10 Summary

In Step One, you defined your Sales Moment, what the brand will look like and talk like. In Step Two, you communicate your Sales Moment consistently to your target customer—turning every customer touchpoint into a branding and sales opportunity.

Every marketing tactic comes out of the brand Sales Moment. There should never be confusion or inconsistency as to what is being said and what the brand looks like.

Brands should be communicated from the inside out, concentrating first on the foundation tactics that cost the least: Planning, People, Website, Brochures, and Partners. The order of the first foundation tactics is pretty fixed. Then come more external marketing activities of PR, ads (print, Internet, TV, radio), direct mail, and event marketing. The order of the external tactics are more flexible.

B-to-B customers behave much differently than B-to-C customers for the last set of external tactics. But they are the same in one regard—all these tactics come out of the Sales Moment of the brand.

Chapter 11 Summary

The most efficient companies eliminate ambiguity. Not to stifle thinking, but as a result of thinking long and hard about the best ways to do things to create consistent results. The brand then is a management tool for what to give up and what to take up; what to say and not say; what to do and not do.

An Employee Brand Playbook makes the brand real by outlining for each employee, by position, what has changed and what they must do now. It focuses the entire company on the Sales Moment and the specific techniques each person can use to make the brand real at each moment of customer contact.

Training people in the brand realizes the promise of brand rollouts. Lack of training does not. The essence of training is clarity and repetition.

Creating an Employee Brand Playbook with training, then measuring behind it, creates the kind of turnkey business you want to own and others would want to buy. It helps you to hire the right kind of people as the company grows. It also creates incredible business efficiencies as people understand how to deliver on the company's brand promise every day.

Chapter 12 Summary

Before doing business with a company, people often look at the company's website to see what they are offering, gauge the quality of the business, and see if the company is worth their time. Websites that communicate the Sales Moment and achieve high search engine rankings are essential in business today.

Websites have to accomplish three things:

1. Give people a handle, through your campaignable idea, to quickly understand your company and avoid website bounces.
2. Offer something valuable and interesting to your target audience that makes your website sticky.
3. Be written and coded using key search terms to achieve high organic search engine rankings.

40% of your ranking comes from what you do on your site, and about 60% of the ranking comes from what you do off your website. You have to do both. You also have to keep up with it. Unfortunately, search engine placement is something of an arms race.

The six best practices of on-site search engine optimization are:

1. Create keyword reports to identify the priority list of key search terms.

2. Adjust website navigation to reflect the prioritized list of keywords and include key search terms in well-written body copy that comply with website search standards.
3. Use image tags with key search terms to identify photos.
4. Include keywords in unique meta tags for each page (title tags, title content tags, description tags, and keyword tags).
5. Incorporate up-to-date copyright meta tags for each page, distribution tags, and robots meta tags in the code to tell the search engines to spider each page.
6. Create a human readable site map that helps users with navigation and search engines to identify links.

The four best practices of off-site search engine optimization are:

1. Create and submit a Google optimized site map, and a Yahoo optimized site map to the corresponding search engines.
2. Submit site and keyword-laced descriptions to as many directories as possible for links to your site (called backlinks by search engines).
3. Issue press releases with key search terms in the headlines and links in the body copy.

4. Purchase low-cost backlinks or get backlinks for free to increase perceived popularity.

Chapter 13 Summary

Three qualities are necessary for successful partner marketing:

1. The partner has access to the people who would most benefit from your product or service.
2. The partner believes in what you are doing.
3. There is understanding of how the partner benefits from helping you.

Of these qualities, the partner believing in what you are doing is the most important. Without this quality, you will end up with only a press release partnership.

The world starts to be a different place when you look at it as a world of partners. Even companies that traditionally compete find places of synergy through associations to raise awareness about key issues, by co-sponsoring events, or doing strategic alliances. This is the basis for many mergers and acquisitions.

Be prepared to explain your promise: how you will take care of the people they send to you and what is in it for your partner. The last part varies dramatically and should be worked out individually with each partner. Listening to what they want is most important.

Chapter 14 Summary

Many companies want to improve their PR coverage, but don't concentrate on the key to better coverage. Journalists conducting interviews are the key to quality articles.

To increase quality coverage, make journalists lives easier by including two things with your press release:

1. Five to seven questions a journalist can ask the person you want interviewed. Do not include the answer. Instead, state how many minutes or seconds it takes for your person to answer each question. Shorter is better.
2. A sentence about why you are contacting them specifically and why this story is relevant to their readers, listeners, or viewers. This shows you know that they are the right person and provides a quick way for them to justify the story to their editors.

Relationships in PR are not nearly as valuable as sending the right story, to the right person, and making it easy for a specific journalist to understand how to cover it.

Chapter 15 Summary

Marketing is most successful when company leadership gets involved. The CEO is responsible for what the brand stands for. The Chief Marketing Officer or Marketing Director is primarily responsible for consistently communicating the brand. The CFO makes certain management understands the value of a customer and is spending less to acquire them than their lifetime value. These company positions perfectly reflect The Perfection of Marketing steps.

The purpose of marketing is to make more money. To make powerful marketing decisions, company management have to understand how to do return on investment marketing, and most importantly, the lifetime value of a customer.

The lifetime value of your customer is the amount of profit the company puts in its pocket for a customer over their lifetime, discounted back to today's dollars.

To calculate, use a simple Net Present Value formula (NPV). The formula looks scary, but The James Group has made it even simpler with a free downloadable spreadsheet available at:

<http://www.thejamesgroup.com/customervalue>.

You can simply enter in designated boxes four variables and instantly understand the lifetime value of a customer. Each of these variables you are likely to

already know, and being within 15% is good enough for directional purposes.

The variables to determine the lifetime value of a customer are:

- 1) Average annual revenue per customer.
- 2) Average gross profit margin before marketing expense (EBITDAM).
- 3) Cost of capital.
- 4) Average number of years a customer is held.

Without this knowledge, the CEO, Marketing Director, and CFO can't make informed marketing decisions. They are flying blind. Knowing the lifetime value of a customer allows management to clearly differentiate between a good marketing tactic and a bad marketing tactic.

Chapter 16 Summary

When rolling out a brand, a CEO has two choices: to Grow Fast or Grow Slow. You Grow Fast by creating a sizable marketing budget and sustaining it for approximately 18 months. Or you Grow Slow by choosing key strategic tactics to reinforce the activities of your sales force.

The choice to Grow Fast or Grow Slow is based on your business goals and cash position. Don't try to waffle in the middle. You will not have enough runway to take-off and will not achieve return on your marketing investment. Hedging doesn't work in advertising. Hedging makes you draw the wrong conclusions, such as your brand message isn't right. When, in fact, the marketing plan is the only thing wrong.

In the Grow Fast case, there is a large budget invested for large growth that generally produces results in 12-18 months. You look big and act big—just as the result will look. Perception becomes reality. To Grow Fast, you do the first tactics: training people, website, brochures, partners plus a mix of larger tactics like sustained direct mail, PR, advertising, and events.

In the Grow Slow case, there is a small marketing budget and smaller organic growth each year. This can go on for four to five-plus years before reaching a strong enough base to sustain the company and the brand,

maybe longer. In the Grow Slow case, you do the first tactics: training people, website, brochures, partners, but you don't do substantial direct mail, PR, and advertising. This strategy is about supporting the sales force: turning every point of sales force customer contact into a well-branded, on-message experience.

There are four parts to ROI marketing and you have to model them all: 1) Understanding the lifetime value of your customer (Chapter 15), 2) Estimating your target acquisition cost per customer, 3) Determining the marketing budget necessary to achieve your goals, 4) Predicting which tactics will best realize these goals.

There are three ways to estimate your target acquisition cost per customer: 1) Historic, 2) Use the Ad Agency's Prediction, 3) The Gut Check. It is best to use all three methods and compare or average your results for planning.

The equation to determine your marketing budget is simple. Marketing budget = (target revenue ÷ average customer revenue) x target acquisition price.

This method's rationale is far superior to just picking a number and calling it the marketing budget. If you cannot spend the amount on marketing necessary to achieve goals, it is better to restate your growth targets to something achievable.

Determining how many customers you have to win to break even with each tactic, and then, running a likely response rate for each tactic, are the keys to choosing ROI-appropriate marketing tactics.

Business people that understand the math of ROI marketing are superior at strengthening and growing businesses. ROI Marketing is particularly powerful for small and midsized businesses that can't afford to waste money. It is essential to not only manage your costs, but not leave money on the table.

Chapter 17 Summary

The Perfection of Marketing process was developed to create consistent results.

Marketing efforts fail more often when a marketing best practice step is skipped. This is how it failed. However, this is not why things fail. The why things fail reflects a deeper wisdom. All the suffering in the world comes from taking care of yourself first. All the happiness in the world comes from taking care of others first.

Marketing tends to fail when the advertising agency puts its needs in front of the client or the client puts their needs in front of the customer. In fact, every mistake that occurs in business or life always boils down to one thing: were you thinking about yourself first or other people first.

The antidote is to exchange yourself with others. Stand in your customers' shoes. Think about what the customer wants to see, hear, and what they want your brand to look like. Think how to make it easier for them to choose this brand in a crowded, busy, chaotic world. Intention to help the customer first is the one and only factor that makes all these marketing tactics work.