

Marketing is too important to be left to the marketing department.

— DAVID PACKARD

Co-founder

Hewlett-Packard

7 MARKETING TRUTHS

EVERY BUSINESS LEADER SHOULD KNOW

BY STEVE TOBAK

If you ask 20 business leaders to define marketing, you will probably get 20 different answers. Why is marketing so hard to pin down? Probably because most marketers don't understand it themselves. They spend their careers locked in a narrow purview and never really see the big picture.

According to the father of modern management, Peter Drucker: "Because the purpose of business is to create a customer, the business enterprise has two — and only two — basic functions: marketing and innovation. Marketing is the distinguishing, unique function of the business."

So what is marketing? Legendary Silicon Valley venture capitalist and former Intel executive Bill Davidow said: "Marketing must invent complete products and drive them to commanding positions in defensible market segments." The man should know. He wrote the seminal book on high-tech marketing.

Funny thing is, Davidow didn't learn marketing in school. All his degrees are in electrical engineering.

Steve Jobs, another brilliant marketer, dropped out of school.

I've run marketing for a number of high-tech companies and my degrees are technical, as well. Not an MBA in the bunch.

So how do great marketers learn about marketing? On the job.

Startup companies are great places to earn your marketing chops because they are all about developing innovative products and getting customer traction — and not much else. Besides, they are always strapped for cash and needing people to wear lots of hats. That's how I got started in marketing more than 20 years ago.

Below are 7 truths I learned along the way that every business leader should know:

1 Everyone thinks they are good at marketing.

There are more posers in marketing than other fields, probably because the demand is strong, the supply is weak, and it's easy to fake. As David Hornik of August Capital once said: "VCs like to think that they are

marketing geniuses. We really do." The reason, he says, is because "we can fake it far more convincingly than in other areas ..." They are not the only ones.

2 Brands win... still.

Many thought e-commerce would level the playing field and render branding irrelevant. Not only has that not happened, I can make a case for the opposite being true.

Back in the heydays of AOL, Bob Pittman said: "Coca-Cola does not win the taste test. Microsoft does not have the best operating system. Brands win."

Big brands like Apple, Google, Coca Cola, IBM and Microsoft have never been more powerful.

3 Marketing is about understanding people.

It is about determining what the customers want, sometimes before they know it themselves. If you've got a knack for that sort of thing, trust your gut.

Be your own focus group of one. And while it is tempting to think of markets as amorphous virtual entities, remember that, even in the B2B world, every product is purchased by a human being in the real world.

4 Innovators don't reinvent the wheel.

Some people are great inventors. They come up with wild concepts that nobody's ever thought of. But great marketers tend to be innovators who turn inventions into things people can use.

Marketing thrives on reusing ideas in new ways. The ground breaking Intel Inside branding programme was actually an ingredient marketing scheme — like Smuckers jam in Pop Tarts — adapted to the PC industry.

5 Marketing is too important to leave to the marketing department.

Marketing is the hub of the business wheel. It is where product development, manufacturing, finance, communications, and sales all meet. Marketing's stakeholders are every critical function in the company.

Every member of the leadership team is an adjunct of the marketing department.

6 Markets are zero-sum games.

Contrary to today's popular feel-good wisdom, in business, winning is everything. Every transaction has one buyer and one seller. If you do it right,

buyer and seller both win. All the other would-be sellers lose. The real world is brutally competitive. Period.

7 You don't need a big budget to create a big buzz.

By executing the right communication strategy, great marketers can create a groundswell of customer excitement and viral demand for a company or product that nobody's ever heard of. And it can be done on a shoestring budget.

Steve Jobs was a master at maintaining secrecy and controlling exactly how and when anybody learned anything about Apple's products.

The truth is that great marketers are few and far between. Which begs the question, who exactly are you trusting the most important aspect of your business to? Something for you to think about.

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*The opinions expressed are his own.

