MARKETING MATTERS

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PUT YOUR MONEY WHERE YOUR MOUTH IS

We know what it means to be competitive. Saying that your company or brand is competitive just doesn't cut it. Nor is wanting to be competitive sufficient to improve your brand's outlook. It takes more to be competitive. It is about *being prepared to win* in the marketplace, to beat the perennial leader, to grow faster than the category and your competition. Words and hope are just not enough. The what does it take?

For starters, put your money where your mouth is. This is about backing up talk with action. The action is *investing in your brand*. There are many ways to go about investing:

One is to keep the product pipeline active. This consists of R&D continuing to pursue product improvements and line extensions. For Pharma companies it means investing in clinical studies that address new indications or demonstrating an advantage versus competition. There's also the search for the next generation of product, compound or service. If there isn't a clear-cut R&D and clinical plan your brand will not only miss keeping-up with the competition but is likely to fall behind a competitor that has one.

Then there's investing in marketing innovation. This isn't something R&D does. It's what we in marketing do to come up with ideas and translate them into impact in the marketplace. Just the way R&D should manage an active product pipeline we need to create a pipeline of marketing initiatives ready to take the brand to its next level of sales and market share growth.

Another is to invest in marketing mix elements appropriate for the life stage of the brand. For example, where share of voice is critical, it's important to invest in media, feet on the street, whatever will give your brand the share of voice needed to promote robust incremental growth. If you don't have deep pockets, which while it helps is not critical, then it is absolutely essential to invest where your brand will get the biggest bang for a given unit of currency whether that is a dollar, euro or yen.

Importantly, investment should not be limited to a launch, a mistake common to many companies and brands. They support a launch, throw a grand party, and three months later significantly curtail or stop support. If you don't continue to feed your brand with needed support it will begin to fade internally with brand team members (including your sales force) and externally with support groups (e.g., agencies, distributors, etc.) and target-customers. If you don't continue to invest in front of your brand it will fall behind those that do.

Another common mistake is to cut short programs that are generating a favorable return. It is not unusual for brands and companies to tire of initiatives before the marketplace does. It is also not unusual to rationalize products, cutting ingredients or services to bolster margins. These can have a significant adverse impact, if not immediate then longer-term, when the value proposition is no longer favorable versus earlier versions of the product (prior to cuts), or future competition.

Investment, however, needs to generate a favorable return. If investment in the brand is driving both incremental growth and a highly favorable return, then it deserves (additional) support. If investment in your brand is more favorable than for other brands within your company it deserves its fair share of support, if not more. Competition isn't just external but includes internal assets vying for the limited resources of your organization.

What does it take to be competitive? Put your money where your mouth is and invest in your brand to put it in a position to win!

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