

By Richard D. Czerniawski

## USE TESTING TO WORK SMARTER AND MAKE YOUR MARKETING MATTER (MORE)

I remember when funding for marketing research, including in-market testing, was classified as "non-working." It meant that spending on it did not produce a sale. There was no immediate line-ofsight from marketing research directly to sales. Whereas, an ad, sales call, or promotion were expected to work in generating sales in the here and now. It was short-term thinking. As a result, resources needed for marketing research and in-market testing shifted to areas directly connected to sales—at least in theory.

When marketing funding became tight, the first budgets cut the non-working activities—marketing research and in-market testing. Unfortunately, this left marketers as blind as pilots flying in the soup (heavy cloud cover that obscures vision) without functional flight instruments. Accordingly, marketers and their organizations engaged in eminence-based marketing, relying on conventional wisdom, not evidence, diminishing marketing effectiveness. Marketers no longer knew if the course they were on was the correct one to achieve their sales, market share, and profit goals.

While we know promotions, congresses, advertising, sales calls, etc., can work, we don't know without the evidence whether our promotions, congresses, advertising, sales calls are actually working. Nor, if we even assume they are working, how well they work in the absolute and relative to alternative marketing mix elements or options within a given element. We are flying blind! We are trusting outcomes to flying by the seat of our pants.

In-market testing and marketing research leads to smarter decisions that help make our marketing matter (more). Conducting in-market testing and utilizing marketing research can help us learn whether:

- What we are currently doing is working in building the business profitably and worth continuing.
- What we launched succeeded in growing sales, market share, and profits and, perhaps, should be extended.
- What we plan to do will help us achieve our sales, market share, and profit targets.
- We are going forward with the best option available to us.

There are so very many hypotheses that we can research to help us to determine the best course of action. Here are a few that you might consider:

- Determining which advertising Campaign Idea, and/or messaging target customers find most *impactful;*
- The *impact* of a given advertising campaign and/or messaging on sales growth;
- Learning not just the sales *impact* but the ROI of any marketing initiative you plan to propose to senior management;
- The *impact* a new indication or product in the line will have on total sales and profits (and whether it justifies the development costs);
- The *impact* of changing packaging, product terms, features, etc.;
- How a change in the sales call pattern, media levels, or media mix elements will *impact* sales;
- What new product ideas to pursue to maximize sales *impact* for the organization;
- The *impact* of adding sales personnel on total sales and profit;
- The profit *impact* of alternate accounts and promotion areas (i.e., geographies such as counties, cities, states, regions, and countries);
- The *impact* of rationalizing a product or substituting ingredients on customer perceptions, satisfaction, and repeat purchasing;
- The *impact* of choosing not to do something;
- The *impact* of alternate sales incentives on performance ... among many others.

The operant word is "impact." Impact is about having a substantial effect on sales, market share, and profit. It can and should be measured on an absolute and relative basis. We want the impact to materially increase all three business objectives and choose the actions that optimize our situation.

Using in-market testing and marketing research helps us make the right decisions when it comes to determining impact. It's the smarter way of managing marketing. Instead of referring to it as non-working, perhaps, it should be reclassified as "future-working." What we learn today is bound to help us impact tomorrow. With an ongoing pipeline of in-market testing and marketing research, we'll have an arsenal of proven actions year after year after year.

*Work smarter to make your marketing matter (more)!* Avoid critical marketing errors and adopt proven principles, best practices, and quality processes to impact sales, market share, and profit. Learn more here: http://bdn-intl.com/avoiding-critical-marketing-errors

Stay SAFE, and be well.

Peace and best wishes,

Richard Cycima Shi



## **Richard D. Czerniawski**

1812 Yates Avenue Pensacola, Florida 32503 847-312-8822 richardcz@bdn-intl.com richardcz@me.com www.bdn-intl.com