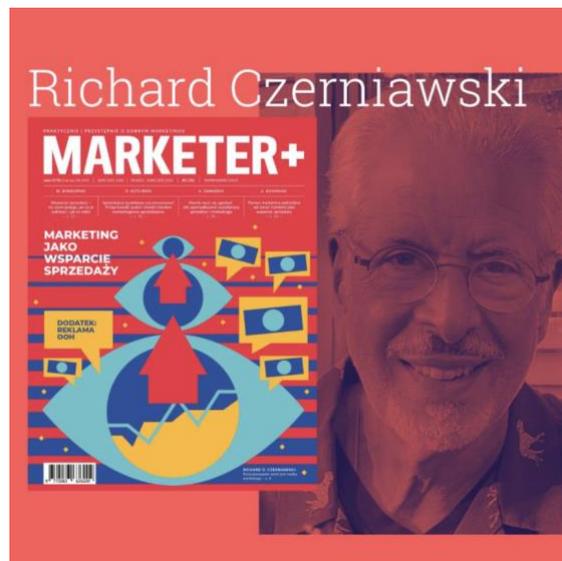




By Richard D. Czerniawski

MARKETER+ INTERVIEW WITH RICHARD CZERNIAWSKI

The latest issue of MARKETER+, a Polish publication, is now available. In it, you will find an interview with Lukasz Murawski, host of the podcast “Let’s Talk Brands,” conducted with me. However, you probably won’t be able to read it unless you read Polish.



No, I don’t speak or read Polish. Well, a few words, but neither the ones about marketing nor fit for print.

Accordingly, here’s the English-speaking version for those who may be interested in what I said and have to say about marketing matters.

1. **LM** (Lukasz Murawski): Tell me about your marketing career.



Lukasz Murawski

RDC (Richard Czerniawski): I started my career in 1972 with Procter & Gamble after completing my military service as a U.S. Navy pilot and officer and earning my MBA. I subsequently joined Johnson & Johnson, then Richardson-Vicks (now owned by P&G), and on to Coca-Cola USA, where I served as Director of Marketing, managing all the soft drink brands in the U.S. I founded and continue to manage a brand consultancy, Brand Development Network International, which serves Fortune Top 100 companies worldwide.

I'm fortunate to have held every marketing position starting from Brand Assistant to Chief Marketing Officer, General Manager, and even Board Director. During these 50-years, I've managed every marketing situation, including established brands, new products, start-ups, acquisitions, and even product discontinuations in a wide range of sectors and categories throughout the world.

2. **LM:** You have a Polish surname. What is your story?

RDC: My father was Polish. My mother is Italian. Their parents emigrated from their native countries. So, culturally, that makes me a second-generation Polish-Italian American. The Poles spoke in Polish in my bi-cultural home when they didn't want the Italians to know what they were saying and vice versa. I believe it taught me to read body language.

3. **LM:** You are the second expert I've interviewed who conducted work in Poland. What did you do, and what is your opinion of the people you worked with here?

RDC: While I know you mean it as a compliment, I'm not a fan of the label "expert." Zen philosophy states that the expert sees only one option or solution, whereas one with a "Beginner's Mind" sees many. I hope I remain a diligent practitioner and student of marketing seeing new possibilities and growth opportunities for me and the marketing function.

Yes, I've worked in Poland for large multi-national companies in FMCG (Fast Moving Consumer Goods). Specifically, I trained marketers from Eastern European countries in Poland to develop competitive positioning and high-impact leadership advertising. I've also worked with Polish marketers in developing competitive positioning strategies and marketing plans in the pharmaceutical and medical device sectors.

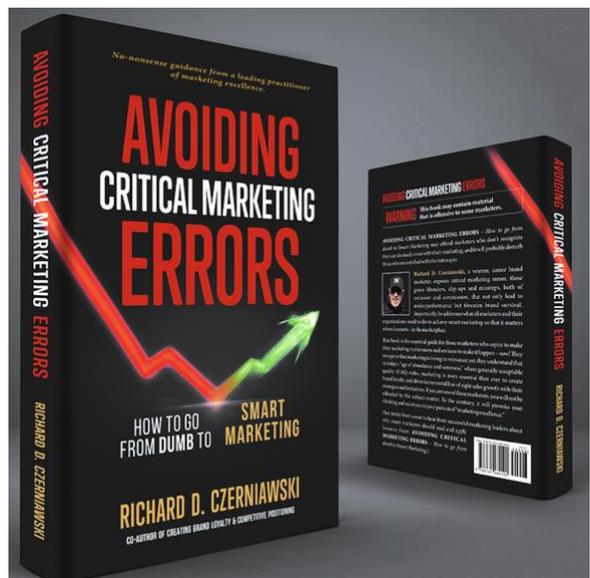
While the concept of capitalism (and, as such, marketing) was new when I first worked in

Poland, the Polish marketers demonstrated that they are intelligent, eager to learn, and, importantly, apply their learning to build leadership brands. They, in turn, attempted to expand my minimal Polish vocabulary. I can say, “poprosze piwo” (I’ll have a beer) when thirsty! And respond with “dziekuje” (thank you) when served.

- 4. **LM:** Your book, AVOIDING CRITICAL MARKETING ERRORS: How to Go from Dumb to Smart Marketing, why did you write it?

RDC: Actually, this is my third marketing book, following CREATING BRAND LOYALTY: The Management of Power Positioning and Really Great Advertising, and COMPETITIVE POSITIONING: Best Practices for Creating Brand Loyalty, which my business partner co-authored. I write marketing books and articles (which number in the hundreds) on subjects essential for marketers to make their marketing matter more.

As per ACME (AVOIDING CRITICAL MARKETING ERRORS), I believe what the late Professor Peter Drucker opined years ago that because the purpose of business is to create customers, its two most important functions are marketing and innovation. By the way, marketing and innovation are not mutually exclusive. These functions are even more critical today as we live in what I characterize as an "age of abundance and sameness." Customers have a plethora of choices that don't differ significantly in what they do, how they do it, and the outcomes they produce. Therefore, customers move to commoditize whole categories of products. This situation is exacerbated as we also live in an era of GAQ—Generally Accepted Quality. Unfortunately, the marketing function is being mismanaged in this age, losing its relevance. Thus, I wrote ACME.



- 5. **LM:** What do you mean by saying marketing is losing its relevance?

RDC: When I entered marketing at Procter & Gamble in 1972, the company was a leading developer of corporate presidents. Marketing was appreciated as sound, business-building general management. We created and managed brands as we built franchises. Today, less than 3% of company board directors are marketers. The reason is that marketing is perceived to be tactical. Its outcomes are not transformational but transactional at best. Finance is at the top of the pyramid. While finance managers don't create customers, they know how to make money for shareholders. On the other hand, marketing fails to evidence

incontrovertible line-of-sight impact from strategies and initiatives to warrant investment.

6. **LM:** A popular theme in your books is "creating brand loyalty." What does it mean?

RDC: Creating brand loyalty is the primary responsibility of marketers. "Create" means to bring a customer into existence, consistent with the purpose of business stated by Professor Drucker. "Brand" is a mark that connotes a special bond and relationship with the customer based upon shared values and experience. A brand satisfies both physical and psychological needs and desires. The brand is a more significant and valuable entity than the product. "Loyalty" is the customers' unswerving devotion to the brand, not the product but the brand.

The word "brand" is essential to understand. There's the physical product, comprised of physical or tangible characteristics. Then there's the "whole product," which includes intangibles that do not come in the box but are part of the total offering. For example, there's the Apple computer, the physical product, and the Genius Bar, an intangible that is not included in the box but completes the "whole product" offering. The next level is the brand. The brand consists of the customer experience, the reputation of the offering, psychological reward, etc.

7. **LM:** How do we create brands?

RDC: It starts with developing the brand positioning strategy. Brand positioning is not a subset of promotion, as taught in the universities. Instead, brand positioning is the mother of marketing. It is the first and most important "P" in marketing. It's the "alpha and omega," the beginning and end of marketing. Positioning directs and informs everything we do in marketing, not just what we say or advertise, and gains purchase through what we do and how we do it.

I know that you've asked other marketers to define "positioning." I'm going to separate it into two concepts. The first, the concept of positioning, is the strategic, customer-centric practice of transforming products, compounds, or services into brands. The second is competitive positioning, namely, how we want target customers to perceive, think and feel about our "brand" versus competition.

8. **LM:** What is the best practice for marketers to develop a successful competitive positioning strategy?

RDC: Start from the top with the development of a Brand Idea. The Brand Idea gets at the brand's " WHY "—its purpose. It's the theme of the brand positioning strategy. The Brand Idea answers the question: What would the world miss if your brand did not exist?

Marketers start from the bottom when developing their positioning strategies. They use their features and the product benefit, which gets at the product, not brand, but what the product does. Given our "age of abundance and sameness," the resultant positioning strategy is the same as the competition. In other words, it's generic.

By the way, when developing the Brand Idea, it's crucial to create it for the brand, not the product. Also, marketers shouldn't stop with one Brand Idea but develop several and conduct customer research to assist in helping determine the most productive.

Marketers can find many other practices in ACME.

9. **LM:** Talking about ACME, what are the critical marketing errors?

RDC: I devote a chapter to each of the overarching critical marketing errors. These are:

- Mis-Positioning Brand Positioning
- Selling the Product, Not Marketing the Brand Experience
- Lack of Relevant, Meaningful Differentiation
- Mis-Targeting Target Customers
- Bad Behaviors (i.e., absence of SMART behavior objectives)
- Using “Unsights” versus Insights
- Brand Communications (Messaging) that Suck!
- Overstating Your Capabilities and Underestimating the Competition
- Lack of Ideas – The Mark of a Dull Brand
- Using Eminence-Based versus Evidence-Based Marketing

There are many errors for each, which make for—excuse my expression—dumb marketing. Or, if you prefer, undermine the relevance of marketing.

10. **LM:** Let’s stop for a moment on this term “dumb marketing?” What’s the difference between “dumb” and “smart” marketing?

RDC: In a word, outcomes! Dumb marketing includes errors of omission and commission that reduce or negate marketing effectiveness in creating brand loyalty and achieving target business objectives of sales, market share, and profit. These errors include overlooking or misusing proven principles, best practices, and quality processes. It extends to the absence of essential skills such as assessing and coaching their work and that from support staff—like ad agencies.

Smart marketing integrates the science and art of marketing consistently. Smart marketing employs proven principles, best practices, and quality processes, leading to line-of-sight sales and creating brand loyalty. The focus is on creating transformational versus transactional strategies in building brands. It’s also about employing evidence-based versus eminence-based marketing, where strategies and marketing initiatives demonstrate a line-of-sight to sales.

11. **LM:** “Dumb” is an emotionally charged word. It could prove offensive to many marketers who don’t think their marketing is dumb.

RDC: Well, I understand what you’re saying. The word “dumb” might turn marketers off. Perhaps, it is dumb on my part to categorize marketing that way. I certainly mean no offense to marketers or their organizations. However, I’m purposely trying to be provocative with my choice of the word “dumb.” I’m wielding the word like a keisaku—a flat wooden stick used in Zen meditation to strike a meditator who has fallen asleep lightly. It’s my wake-up call to marketers and their organizations that they can and should be doing smart or, if they believe their marketing is already smart then smarter marketing.

12. **LM:** Let’s circle back for a moment. What does it mean to have “relevant, meaningful differentiation?”

RDC: "Relevant" means it must be important to the target customer, not everyone who purchases the category. Instead, it's those target customers who believe what the marketer believes, the Brand Idea. "Meaningful" addresses the degree of differentiation. The target customer needs to experience the differentiation physically and/or psychologically.

13. **LM:** On one of your blogs, DISPATCHES: Insights from the Marketing Front, you wrote that there are many barriers to "relevant, meaningful differentiation." Which is the most important one?

RDC: One of the most common excuses, and that's what it is, is regulatory and or legal barriers. Yes, regulatory bodies such as the FDA and FTC in the U.S. certainly define the boundaries placing restrictions on what we do and how we do it. However, the boundaries are the same for all sectors and category competitors. The real barrier is the marketer's "lack of imagination."

Given "strategic freedom," we must build differentiation into our products, services, and compounds based upon unmet customer physical and/or psychological needs. These may be latent needs as Steve Jobs awakened in the categories Apple created and competed. We must fulfill a vision for the whole product and beyond to the brand.

14. **LM:** What does the future of marketing look like?

RDC: Unless marketing changes from its focus on using tactics in the quest to capture transactions to developing transformational strategies, the future will be further loss of relevance as marketers and their organizations search for the illusionary silver bullet. There is no panacea.

I'd like to see us go back to the future. Marketers and their organizations would adopt evidence-based marketing. They would test every marketing strategy and initiative with target customers to demonstrate direct line-of-sight to incremental sales and a positive ROMI (return on marketing investment). The future would also employ proven principles, best practices, and quality processes. I'm talking about the basics! And, marketers would practice smart marketing, avoiding critical marketing errors.

One last point, BIG Ideas would fuel marketing. This is the art part. Currently, there's a paucity of ideas as marketers rely on technologies and not how to utilize them to achieve preference in the crowded marketplace.

15. **LM:** What is your professional dream?

RDC: Well, I'm in the twilight of my career. It has been a very full and rich career. I've written three books on brand marketing, hundreds of blogs dealing with marketing management, taught more than 25,000 marketers worldwide, and facilitated the successful positioning and marketing for hundreds of global brands. At 75-years of age, how many more years do I have to continue contributing to marketing? Five? Ten? At most! What else might I do?

As the years progress, I see my role changing from a leader, developer, and facilitator to an advisor. My remaining dream? Share my knowledge and experiences gleaned from 50-years in marketing and continued learning to help make marketers and marketing matter more as

long as I'm able and relevant.

16. **LM:** What is your advice to Polish marketers?

RDC: No different than to marketers from other countries. Work to create brand loyalty through sound strategic thinking, proper application of proven principles, best practices, quality processes, and evidence-based marketing. And, don't forget to fuel it with BIG Ideas.

For those Polish marketers interested in learning more, read my books and blogs. For more, go to www.bdn-intl.com

17. **LM:** Dziękuję (Thank you), Richard.

RDC: Nie ma za co (You're welcome), Lukasz.

Avoid marketing errors of commission and omission that are undermining your marketing.

Please consider reading my most recent book, **AVOIDING CRITICAL MARKETING**

ERRORS: How to Go from Dumb to Smart Marketing. Learn more here: <http://bdn-intl.com/avoiding-critical-marketing-errors>. It will not only help you avoid critical marketing errors but, importantly, suggest actions you can take to make your marketing matter even more.

Peace and best wishes in making your marketing and you matter even more,

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