

# Marketing Strategy

**To Jane**

The wind beneath my wings

# Marketing Strategy

The Difference Between Marketing and Markets

**Third edition**

Paul Fifield



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# Preface to the third edition

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The first method is that of a schemer and leads only to mediocre results; the other method is the path of genius and changes the face of the world.

*Napoleon Bonaparte*

Writing this preface, the first thing to say is, this third edition has been a long time coming, and it's grown in the six years that it's taken to write. There are many reasons for this, not least the development of the SCORPIO approach, which has grown through use with clients and developing real market strategies. Every time I used it, the better it seemed to work, but it always changed a bit – if I put it into print it would be out of date, wouldn't it? By the time SCORPIO had 'settled down', it was full of really good *stuff* but there was a lot of it – and it would entail a lot of writing and where was the time? But, then publishers and past readers stopped asking where the new book was – and that made me worry, so here it is.

Also, apart from the ego and the new position as Visiting Professor at Southampton University, there is another reason that spurred this edition on, the reason why all the way through the book you will find the term 'market(ing) strategy' being used: the increasing danger of the marketing profession falling into mediocrity. Marketing was always intended to be the co-ordinating activity designed to identify, anticipate and focus the rest of the organization on customer needs. This is a far, far bigger job than producing the advertising and the brochures, but apparently one that some marketers feel hesitant to take on. Marketing is all about the 'market'. If 'marketing' is (still) confused with 'marketing communications and services', then you should remember that market(ing) in this book means so much more.

Like some of my readers, I am getting to that stage in life when I start counting things – like the number of years I have been in market(ing), the number of companies I have met who (still) believe that products make profits, the number of times I have met marketers who complain so bitterly about marketing not being given the status it deserves in their organization. But counting does give perspective.

When I started in market(ing), I believed that it was just a question of timing and that, given the correct data (and encouragement), marketers and companies

would see the light and become customer led and much more profitable. Ah, the innocence of youth. Today we see a landscape that has not changed significantly over the years: finance departments still calculate product/service profitability; sales departments still dictate prices and payment terms; operations still dictate product/service availability; R&D functions still create new products and services based on technical features rather than customer benefits.

*And too many marketing departments still busy themselves with writing brochures, organizing events and creating leads for the sales force.*

On top of that, Philip Kotler turns up in Europe and says that it's terrible that marketing really only seems to consist of one *P*, promotion. At the same time, universities and business schools are re-arranging their programmes so that issues that used to appear on marketing modules (such as segmentation) now appear on business strategy modules.

Meanwhile, in business, new board positions are appearing; Commercial Directors have been around for a while but they are now joined by the Business Development Director. Strange that the universities and business schools haven't developed a 'business development' module for their MBA programmes yet.

*And too many marketing departments still busy themselves with writing brochures, organizing events and creating leads for the sales force.*

The result is that market(ing) is still *not* on the business agenda. Market(ing) is still *not* properly represented on the board. Customers are still *not* receiving the service they deserve. Organizations are still *not* as profitable as they should be and are still *not* differentiated from lower priced international competition. There really is no way of escaping the responsibility here – the 'marketing profession' really only has itself to blame. As long as too many marketers concentrate on the brochures, events and sales leads, we allow market(ing) to be classified as an *optional* business activity – one that can be cut as soon as the recession comes around again.

But, the job needs to be done, customers are still not receiving their due – genuine customer value. This book is written for any manager who is prepared to take up the market(ing) challenge, 'real marketers' included. But this book, and all the books in the world, can only give you the tools to act. Acting depends on you.

*Paul Fifield*

## Preface to the second edition

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The first edition of this book was written in 1990/1991 and was my very first foray into the world of books and writing on such a scale. Over the life of the first edition, the world – and our marketplace – has undergone a number of radical changes, some of which I have tried to capture in this revised edition. Working through the revisions, I have been struck by the nature and scope of the changes that have affected marketing over the past six years. Driven by the fundamental changes in society which we have and continue to witness, marketing as it is practised is changing fast. The buoyant markets of the 1980s have given way to 1990s markets which are much more competitive, focused and unforgiving of failure. Time to plan is a luxury of the past although, paradoxically, the need to plan and think strategically is more important than ever. The simultaneous need to think strategically and act tactically in today's business environment of fewer resources and shortening deadlines is working to separate the marketing 'sheep from the lambs'.

The pace of change in marketing is such that at the moment we are still in the process of working out how to solve today's problems. Knowing that yesterday's solutions no longer work is the first step, finding the answers we need is still a voyage of discovery. I had hoped that this second edition would be more illuminating in terms of answers than it has, in fact, turned out to be. But working with clients on a daily basis, it is apparent that markets are moving at a speed that renders 'new' ideas redundant at a rate that makes them inappropriate for a book of this nature. Consequently, I have tried to concentrate on the mindset and attitudes of the successful and practising marketer required in the late 1990s. When there are no successful case histories to guide us, only a return to the fundamentals of marketing makes sense; from here we will have to create our own case histories.

Also, I stress again that this book is designed primarily for the use and guidance of the *practising marketer*. Since writing the first edition, I have spent a number of years as senior examiner (diploma) at the UK Chartered Institute of Marketing. This role has brought me (and this book) into contact with more academic writers and educators. The response of many to this book's approach to marketing worried me at the time and concerns me more as time goes on. My approach to marketing has remained largely unchanged over more than twenty years and is based on the constantly supported belief that:

- (1) Long-term profit is the name of the game and
- (2) Only satisfied customers (who come back for more) will produce long-term profits.

This book is based on the belief that marketing is about achieving results, not manipulating theories. This is not always a precise or elegant process – not an approach which some of my academic colleagues find to their taste, believing that technical knowledge and ability to manipulate theory is what should be taught and what should be done. I do not imagine that many academics of this mould will be lovers of this book but I remain unbowed by such criticism. This book was, and is still, written for the practising marketer, not the academic. Marketers not driven to find practical and workable answers and to implement them will probably find other marketing texts more to their taste.

Finally I must thank the primary contributors to this edition. They say a writer must always write about what he knows. Working full time as an independent advisor/consultant with large organizations, I am confronted by today's complex strategic marketing problems on a daily basis. The problems of declining resources, increasing competition and short-term targets are real for all my clients, both market leaders and pretenders. For all of them, the overwhelming challenge has been to find strategic solutions that can be implemented and then to implement the solutions which we have found. Achieving this has often necessitated rewriting the old tenets of marketing. Without the experience gained by working with such clients, this edition could not have been written. It is a great pity they must remain anonymous.

*Paul Fifield*

# Preface to the first edition

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This book has been written with one clear goal in mind – to make the whole area of marketing strategy (and strategic marketing) accessible to the widest possible audience. I have tried to strip away all the jargon, the mystique and the confusion that tend to surround one of the most simple and common sense areas of modern business – marketing. Only response from you, the reader, will tell me whether I have succeeded.

Putting the theories, the science and the buzzwords to one side, there is really nothing at all complicated about marketing and marketing strategy. We and our organizations will continue to thrive as long as we make what our customers want. As soon as we deviate from this simple line we will start to founder. Obvious – yes. Common sense – yes. Then why do we all have so many problems? Because we are human beings and not machines.

Human nature is what, I hope, typifies this book. Marketers are people, customers are people, even organizations are simply collections of people. Marketing and strategy are about relationships – not organizations to markets but, in reality, people to people – it is this simple dimension that I have tried to bring into play all through discussions about financial objectives, competition, market segmentation, etc. Not that theories are completely absent; they have their place, but they cannot be used to hide behind.

This book is written, above all, for the practising marketer, whether in marketing, finance, engineering, personnel or sales and at any level in the organization that is affected by the customer. The book follows what is, I hope, a logical framework but the most important lesson must be: *try it*. Try something, see how it works and then grow bolder. As Samuel Johnson said, it matters little which leg you put in the trousers first!

When you try, let me know what happens.

*Paul Fifield*

