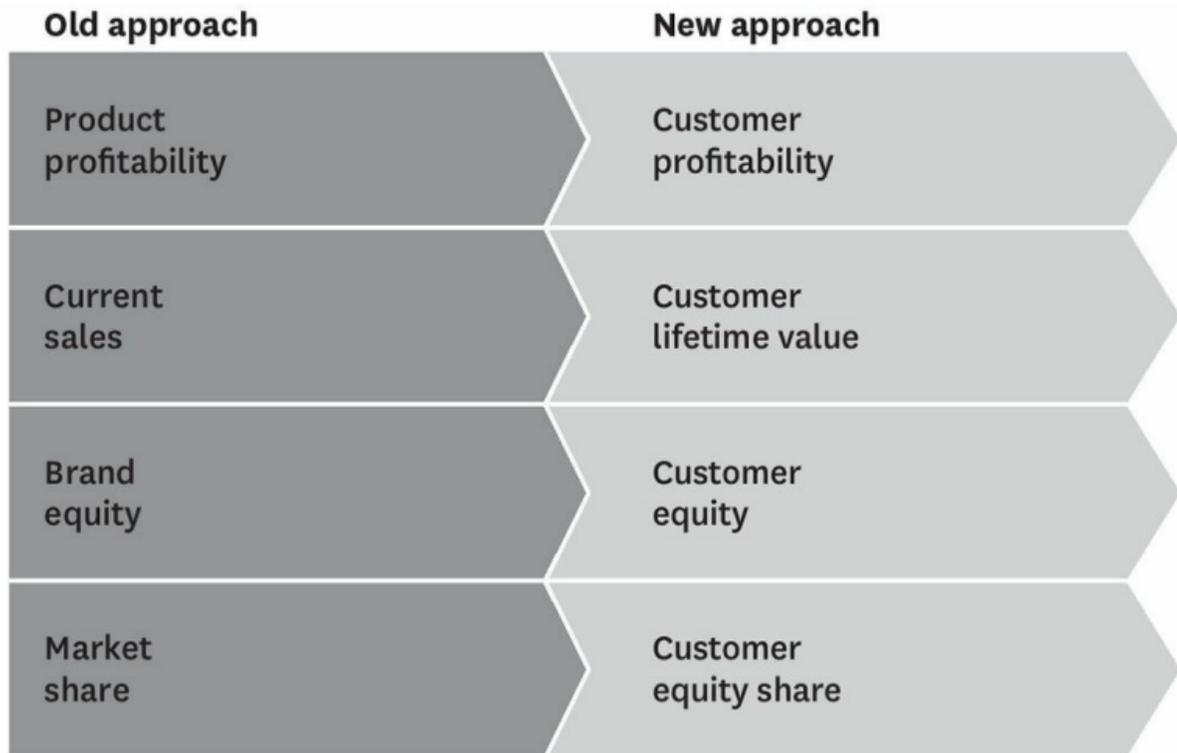
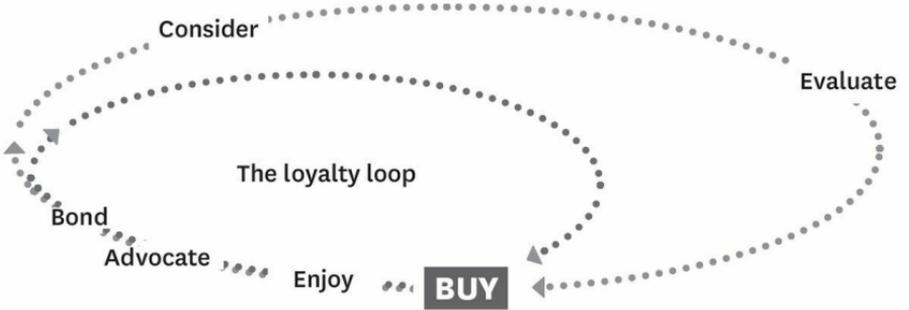
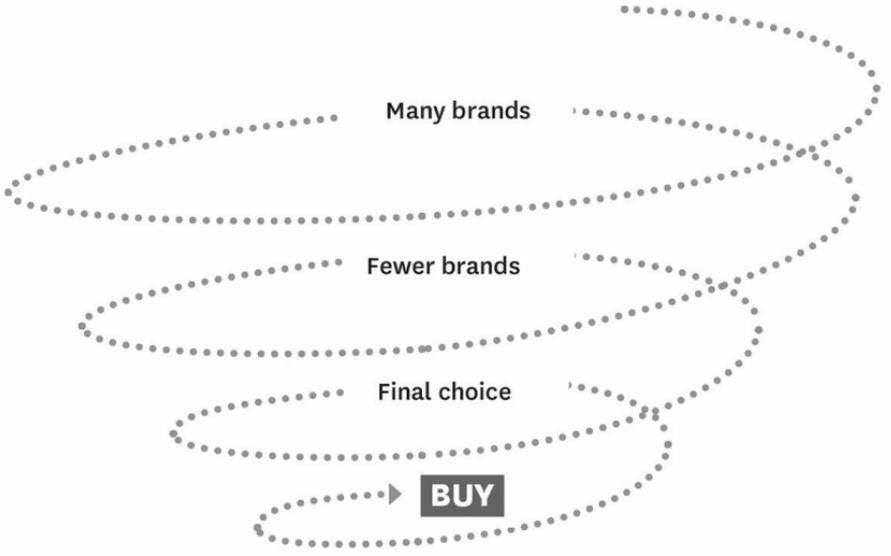
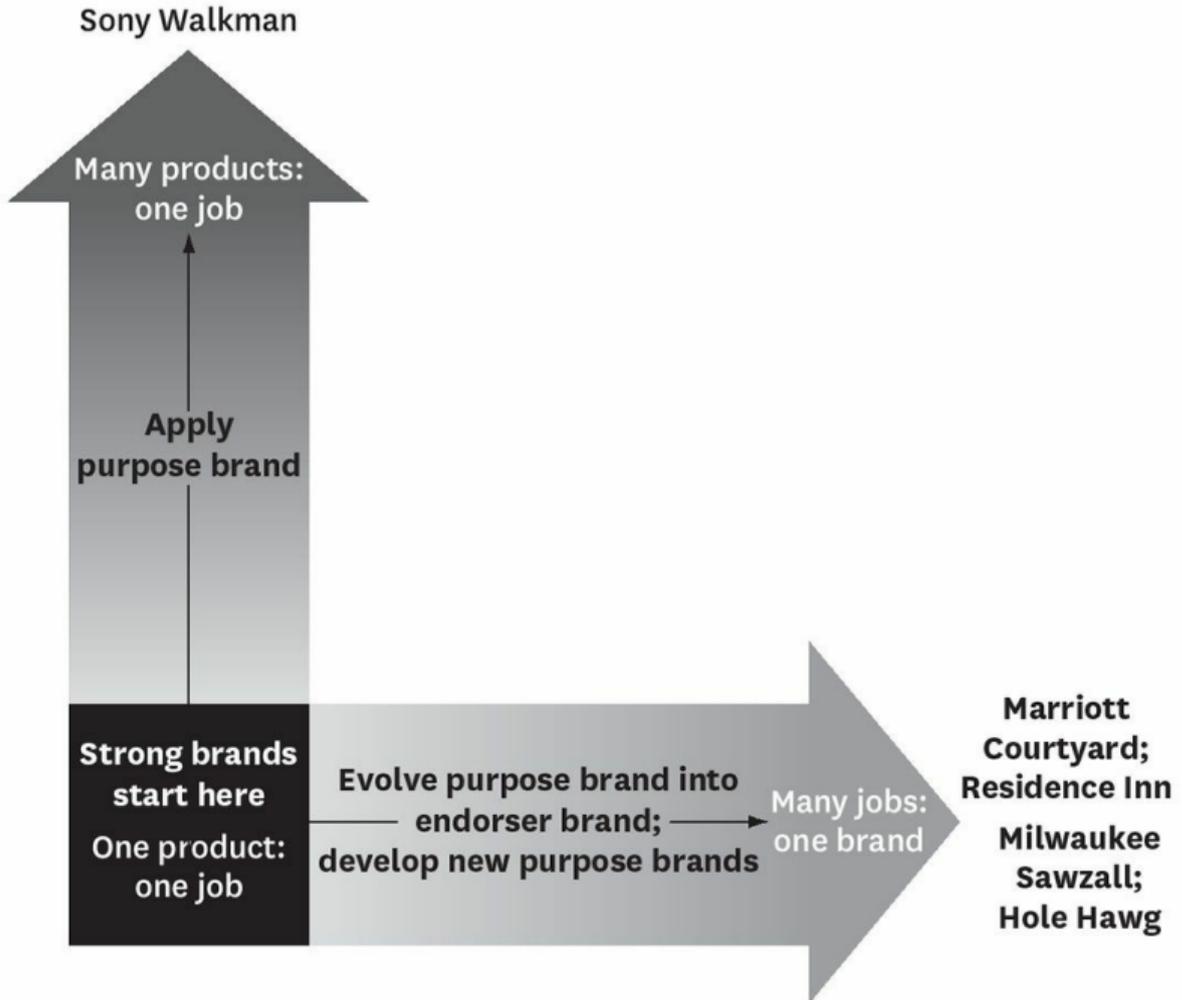


The shift from marketing products to cultivating customers demands a shift in metrics as well.







Sony Walkman

Many products:
one job

Apply
purpose brand

**Strong brands
start here**
One product:
one job

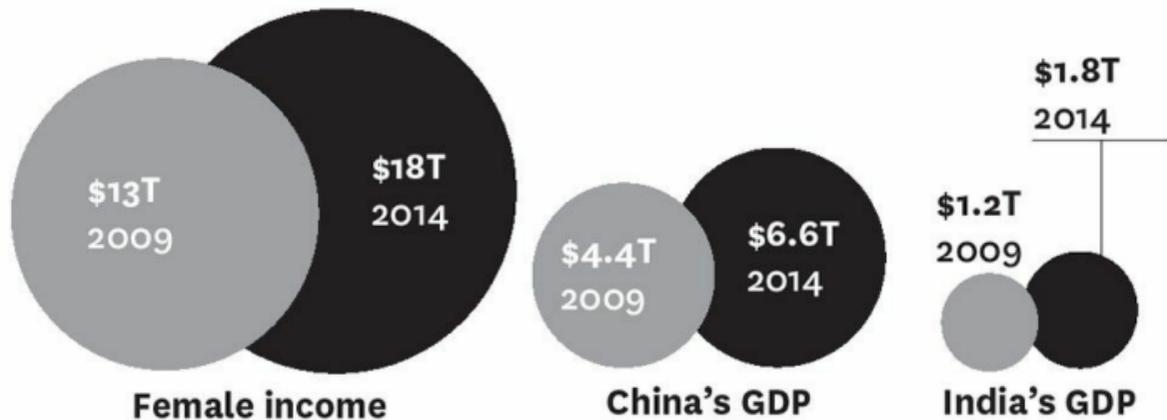
Evolve purpose brand into
endorser brand;
develop new purpose brands

Many jobs:
one brand

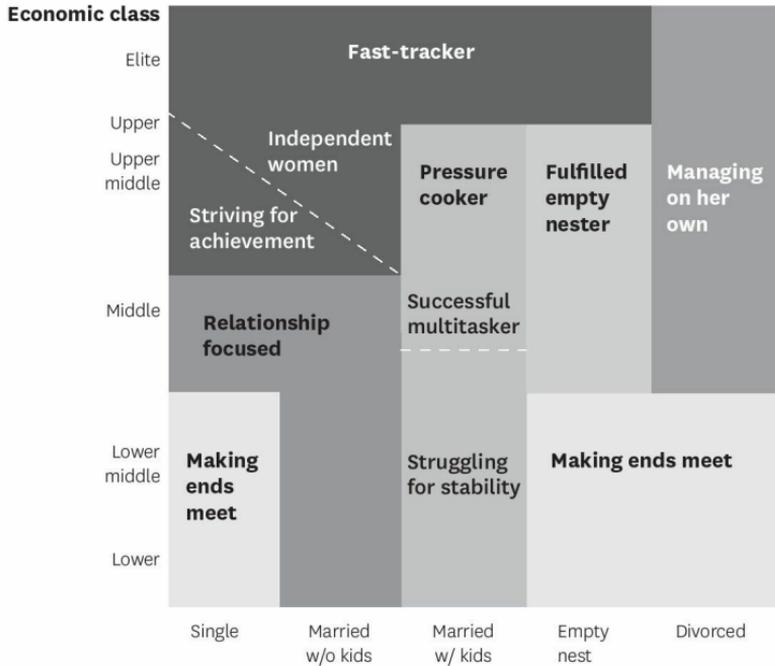
**Marriott
Courtyard;
Residence Inn**
**Milwaukee
Sawzall;
Hole Hawg**

The world's largest opportunity

A growth forecast (in trillions)



Six key female consumer segments





Fast-tracker

24% of population

34% of earned income

- Economic and educational elite
- Seeks adventure and learning

Subsegments:

- Striving for achievement – 15% of population, 19% of earned income; job and recognition are priorities
- Independent women – 9% of population, 15% of earned income; works the most; prizes autonomy



Pressure cooker

22% of population

23% of earned income

- Married with children
- Feels ignored and stereotyped

Subsegments:

- Successful multitasker – 10% of population, 14% of earned income; feels in control
- Struggling for stability – 12% of population, 9% of earned income; constantly battles chaos



Relationship focused

16% of population

13% of earned income

- Content and optimistic
- Isn't pressed for time
- Has ample discretionary income
- Focuses on experiences, not products



Managing on her own

10% of population

9% of earned income

- Single again – divorced or widowed
- Seeks ways to form connections



Fulfilled empty nester

15% of population

16% of earned income

- Largely ignored by marketers
- Concerned about health and aging gracefully
- Focused on travel, exercise, and leisure



Making ends meet

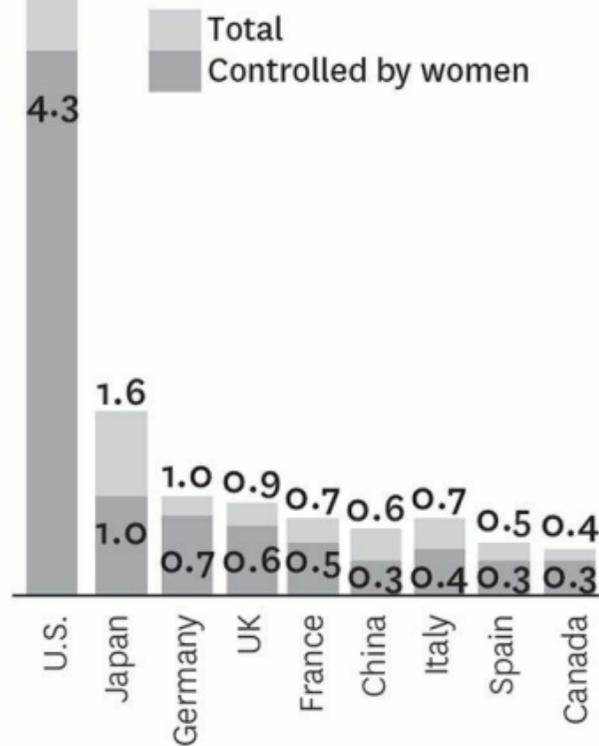
12% of population

5% of earned income

- No money for beauty or exercise
- Majority lack college education
- Seeks credit, value, and small luxuries

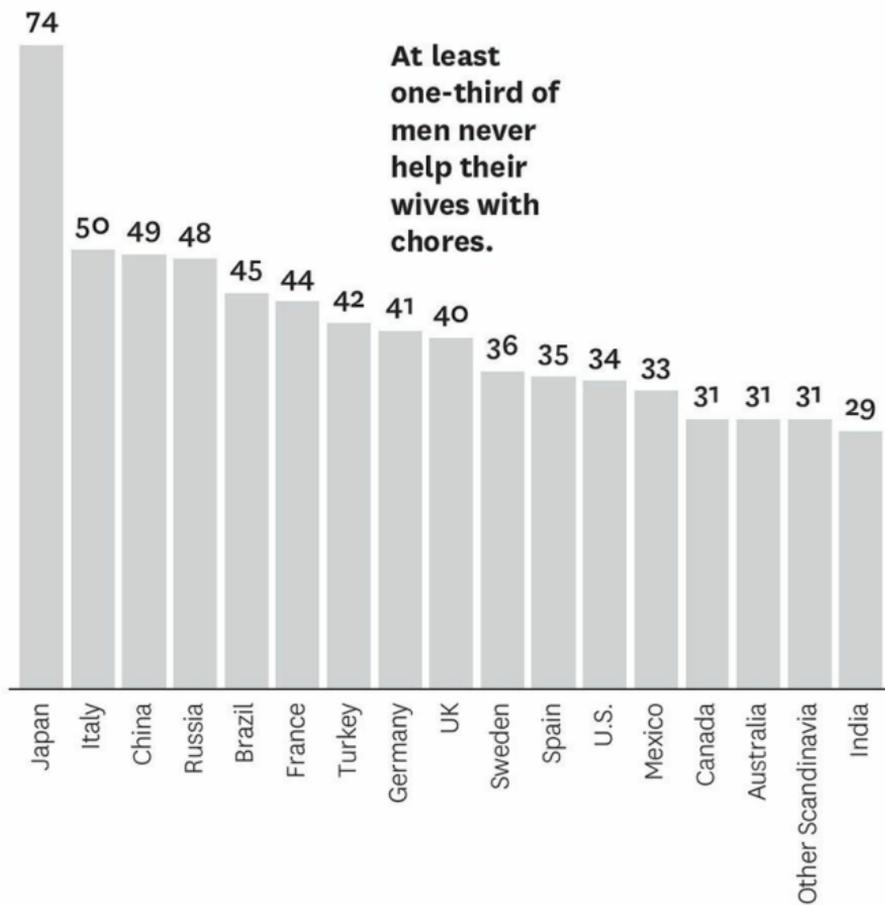
The fitness chain Curves recognized and responded to women's concerns—and grew quickly as a result. Curves has a very simple concept: cheap, fast exercise for women only, with no-frills spaces suited to middle-aged clients of average build. Helpers stand by to usher them through a simple 30-minute circuit, so there's no need to hire a trainer.

5.9 US\$ (in trillions)



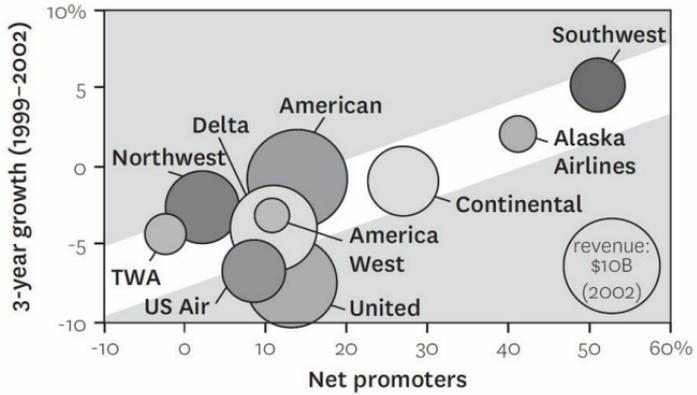
	Investments & financial advisory	Life insurance	Payments
Unmet needs	<ul style="list-style-type: none"> • Financial education • Advisers that understand and cater to female life events • Equal treatment with men 	<ul style="list-style-type: none"> • Education about insuring entire household versus just the primary earner • Equitable coverage for working women and men • Valuations for “at-home” work 	<ul style="list-style-type: none"> • Reward programs and payment plans that cater to women
Potential value in U.S.	<ul style="list-style-type: none"> • About \$2.1 trillion in wealth held by high-net-worth divorced or widowed women 	<ul style="list-style-type: none"> • About \$2 trillion in incremental coverage 	<ul style="list-style-type: none"> • About \$1.4 trillion in credit card purchases
Goals	<ul style="list-style-type: none"> • Win market share • Grow market 	<ul style="list-style-type: none"> • Grow market • Create new market 	<ul style="list-style-type: none"> • Win market share • Grow market
Key inflection points to target	<ul style="list-style-type: none"> • Divorce • Death of a spouse 	<ul style="list-style-type: none"> • Marriage • First home purchase • Promotion • Birth of first child 	<ul style="list-style-type: none"> • First credit card • College commencement • First job

% of women
answering rarely or never

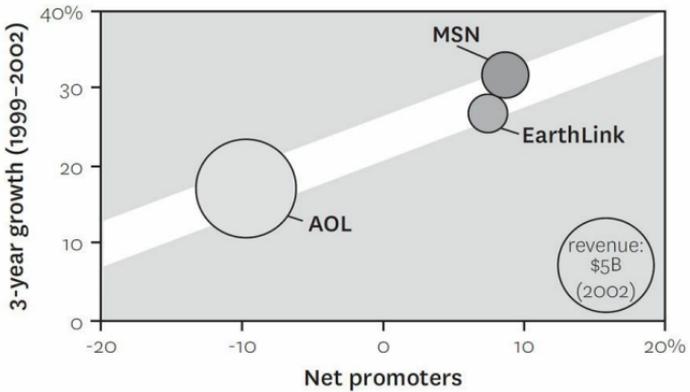


Value proposition:	All benefits	Favorable points of difference	Resonating focus
Consists of:	All benefits customers receive from a market offering	All favorable points of difference a market offering has relative to the next best alternative	The one or two points of difference (and, perhaps, a point of parity) whose improvement will deliver the greatest value to the customer for the foreseeable future
Answers the customer question:	“Why should our firm purchase your offering?”	“Why should our firm purchase your offering instead of your competitor’s?”	“What is <i>most</i> worthwhile for our firm to keep in mind about your offering?”
Requires:	Knowledge of own market offering	Knowledge of own market offering and next best alternative	Knowledge of how own market offering delivers superior value to customers, compared with next best alternative
Has the potential pitfall:	Benefit assertion	Value presumption	Requires customer value research

Airlines



Internet service providers





People have strong associations with a shared activity or goal, or shared values, and loose associations with one another.

The shared activity, goal, or values are the key to this community affiliation.

Examples:

- Apple enthusiasts
- Republicans or Democrats
- Ironman triathletes



People have strong one-to-one relationships with others who have similar or complementary needs.

Personal relationships are the key to this community affiliation.

Examples:

- Facebook
- Cancer Survivors Network
- Hash House Harriers



People have strong connections to a central figure and weaker associations with one another

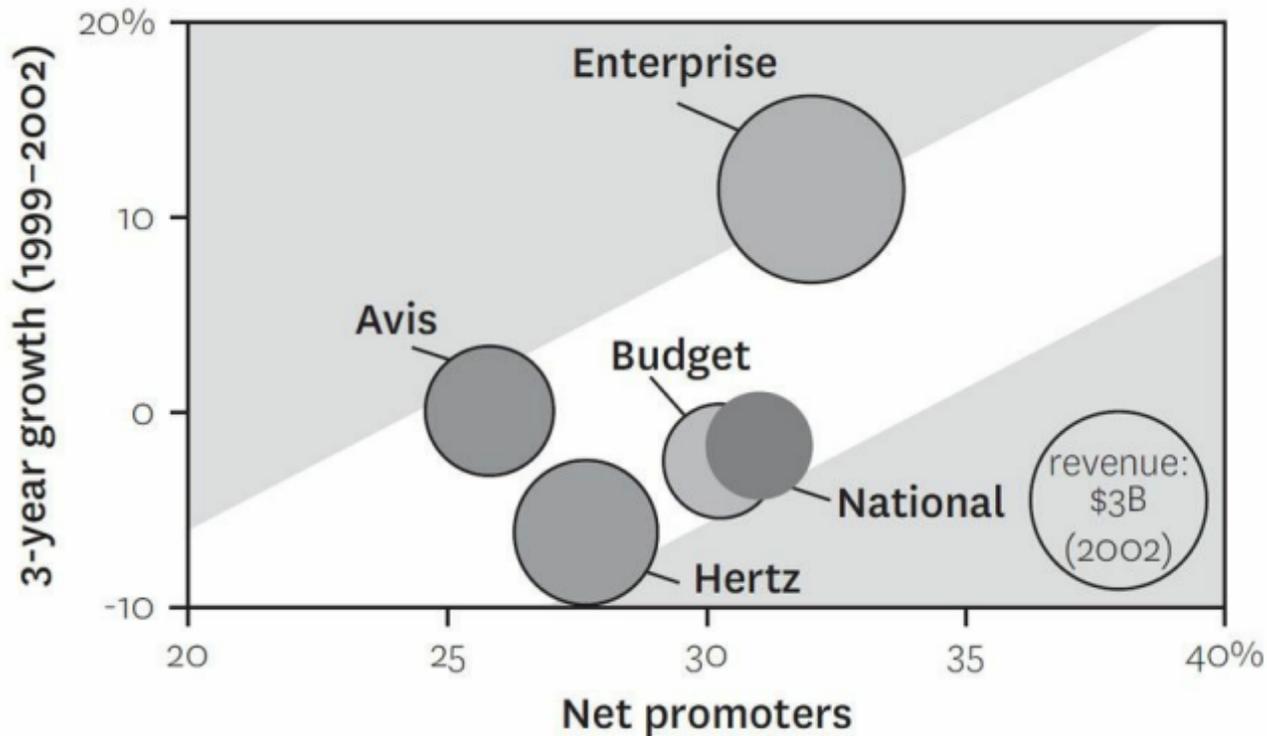
A charismatic figure is the key to this community affiliation.

Examples:

- Deepak Chopra
 - Hannah Montana
 - Oprah
-

The relationship is . . .	If sales and marketing . . .
Undefined	<ul style="list-style-type: none"> • Focus on their own tasks and agendas unless conflict arises between them. • Have developed independently. • Devote meetings between them to conflict resolution, not proactive collaboration.
Defined	<ul style="list-style-type: none"> • Have rules for preventing disputes. • Share a language for potentially contentious areas (e.g., defining a “lead”). • Use meetings to clarify mutual expectations.
Aligned	<ul style="list-style-type: none"> • Have clear but flexible boundaries: salespeople use marketing terminology; marketers participate in transactional sales. • Engage in joint planning and training.
Integrated	<ul style="list-style-type: none"> • Share systems, performance metrics, and rewards. • Behave as if they’ll “rise or fall together.”

Car rentals



Strongly
Disagree **Disagree** **Neither** **Agree** **Strongly**
1 **2** **3** **4** **Agree** **5**

1. Our sales figures are usually close to the sales forecast.	___	___	___	___	___
2. If things go wrong, or results are disappointing, neither function points fingers or blames the other.	___	___	___	___	___
3. Marketing people often meet with key customers during the sales process.	___	___	___	___	___
4. Marketing solicits participation from Sales in drafting the marketing plan.	___	___	___	___	___
5. Our salespeople believe the collateral supplied by Marketing is a valuable tool to help them get more sales.	___	___	___	___	___
6. The sales force willingly cooperates in supplying feedback requested by Marketing.	___	___	___	___	___
7. There is a great deal of common language here between Sales and Marketing.	___	___	___	___	___
8. The heads of Sales and Marketing regularly confer about upstream issues such as idea generation, market sensing, and product development strategy.	___	___	___	___	___
9. Sales and Marketing work closely together to define segment buying behavior.	___	___	___	___	___
10. When Sales and Marketing meet, they do not need to spend much time on dispute resolution and crisis management.	___	___	___	___	___
11. The heads of Sales and Marketing work together on business planning for products and services that will not be launched for two or more years.	___	___	___	___	___

If the current relationship is . . .	and . . .	Then move the relationship to . . .	by . . .
Undefined	<ul style="list-style-type: none"> • Sales and Marketing have frequent conflicts and compete over resources. • Effort is duplicated, or tasks fall between the cracks. 	Defined	<ul style="list-style-type: none"> • Creating clear rules of engagement, including hand-off points for important tasks (such as lead follow-up).
Defined	<ul style="list-style-type: none"> • The market is becoming commoditized or customized. • Product life cycles are shortening. • Despite clarified roles, efforts are still duplicated or tasks neglected. 	Aligned	<ul style="list-style-type: none"> • Establishing regular meetings between Sales and Marketing to discuss major opportunities and problems. • Defining who should be consulted on which decisions (e.g., “Involve the brand manager in \$2 million+ sales opportunities”). • Creating opportunities for Sales and Marketing to collaborate—for example, planning a conference together or rotating jobs.
Aligned	<ul style="list-style-type: none"> • The business landscape is marked by complexity and rapid change. • Marketing has split into up-stream (strategic) and downstream (tactical) groups. 	Integrated	<ul style="list-style-type: none"> • Having downstream marketers develop sales tools, help salespeople qualify leads, and use feedback from Sales to sell existing offerings to new market segments. • Evaluating and rewarding both teams’ performance based on shared important metrics. For instance, establish a sales goal to which both teams commit. And define key sales metrics—such as number of new customers and closings—for salespeople and downstream marketers.

12. We discuss and use common metrics for determining the success of Sales and Marketing.	___	___	___	___	___
13. Marketing actively participates in defining and executing the sales strategy for individual key accounts.	___	___	___	___	___
14. Sales and Marketing manage their activities using jointly developed business funnels, processes, or pipelines that span the business chain—from initial market sensing to customer service.	___	___	___	___	___
15. Marketing makes a significant contribution to analyzing data from the sales funnel and using those data to improve the predictability and effectiveness of the funnel.	___	___	___	___	___
16. Sales and Marketing share a strong “We rise or fall together” culture.	___	___	___	___	___
17. Sales and Marketing report to a single chief customer officer, chief revenue officer, or equivalent C-level executive.	___	___	___	___	___
18. There’s significant interchange of people between Sales and Marketing.	___	___	___	___	___
19. Sales and Marketing jointly develop and deploy training programs, events, and learning opportunities for their respective staffs.	___	___	___	___	___
20. Sales and Marketing actively participate in the preparation and presentation of each other’s plans to top executives.	___	___	___	___	___

Scoring

20-39 Undefined 60-79 Aligned
 40-59 Defined 80-100 Integrated

___ + ___ + ___ + ___ + ___

= Total

	Undefined	Defined	Aligned
Don't make any changes if . . .	<p>The company is small.</p> <p>The company has good informal relationships.</p> <p>Marketing is still a sales support function.</p>	<p>The company's products and services are fairly cut-and-dried.</p> <p>Traditional marketing and sales roles work in this market.</p> <p>There's no clear and compelling reason to change.</p>	<p>The company lacks a culture of shared responsibility.</p> <p>Sales and Marketing report separately.</p> <p>The sales cycle is fairly short.</p>
Tighten the relationship between Sales and Marketing if . . .	<p>Conflicts are evident between the two functions.</p> <p>There's duplication of effort between the functions; or tasks are falling through the cracks.</p> <p>The functions compete for resources or funding.</p>	<p>Even with careful definition of roles, there's duplication of effort between the functions; or tasks are falling through the cracks.</p> <p>The market is commoditized and makes a traditional sales force costly.</p> <p>Products are developed, or prototyped, or extensively customized during the sales process.</p> <p>Product life cycles are shortening, and technology turnover is accelerating.</p>	<p>A common process or business funnel can be created for managing and measuring revenue-generating activities.</p>
	 move to Defined	 move to Aligned	 move to Integrated

Sales and Marketing integration checklist

To achieve integration between Sales and Marketing, your company needs to focus on the following tasks.

Integrate activities

- Jointly involve Sales and Marketing in product planning and in setting sales targets.
- Jointly involve Sales and Marketing in generating value propositions for different market segments.
- Jointly involve Sales and Marketing in assessing customer needs.
- Jointly involve Sales and Marketing in signing off on advertising materials.
- Jointly involve Sales and Marketing in analyzing the top opportunities by segment.

Integrate processes and systems

- Implement systems to track and manage Sales and Marketing's joint activities.
- Utilize and regularly update shared databases.
- Establish common metrics for evaluating the overall success of Sales and Marketing efforts.
- Create reward systems to laud successful efforts by Sales and Marketing.
- Mandate that teams from Sales and Marketing meet periodically to review and improve relations.
- Require Sales and Marketing heads to attend each other's budget reviews with the CEO.

Enable the culture

- Emphasize shared responsibility for results between the different divisions of the organization.
- Emphasize metrics.
- Tie rewards to results.
- Enforce divisions' conformity to systems and processes.

Integrate organizational structures

- Split Marketing into upstream and downstream teams.
- Hire a chief revenue officer.

