

The End of Marketing As We Know It

Sergio Zyman

The Big Idea

The best-selling author of "The End of Advertising As We Know It", Sergio Zyman, gives us his irrepressible, irreverent but charismatic style of telling us the real score in marketing: It is not only to create an image that consumers could fall in love with but one that will drive consumers to buy more products and services for as often as possible.

His provocative and counterintuitive approach which he impresses upon us throughout his book is that producing award-winning commercials and promotions, and creating ads that people like are not an end by itself. What is far most important to marketing is to move customers and consumers to buy those products and services that are being promoted and advertised.

Sergio Zyman is a proven successful marketing guru that earned his sobriquet "Aya-Cola" in Madison Avenue, New York by boosting Coca-Cola's market value from \$56 billion in 1993 to \$193 billion in a span of five years and selling 15 billion cases to 5 billion people in 190 countries.

Zyman demolishes traditional myths and beliefs in marketing. He professes the idea that marketing is a serious business discipline and a science that marketing professionals can effectively use to promote and sell products and services while measuring the effectiveness of ads and promotions in terms of sales results.

He also debunks the belief that marketing should create and produce crowd pleasing ads and promotions solely for the purpose of pleasing viewers of those ads. Zyman upholds the belief that the main objective of marketing is to sell products and services to its customers and consumers for as often as possible for as more money as possible.

Part 1: Marketing Is No Mystery

Introduction: Smashing The Black Box

Marketing is supposed to sell stuff. Zyman doesn't care about making award-winning commercials. The only thing that any marketing person should care about is real consumption.

The marketing business is supposed to make money. Zyman says Marketers should stop fooling around with the marketing-is-an-inscrutable-mystery hogwash and get down to the real business of marketing.

There is nothing mysterious or magical about marketing since it wasn't always in the best interest of marketers to explain what they were doing to their employers.

Chapter 1: Why Have Marketing? To Make Money

The sole purpose of marketing is to get more people to buy more of your products, more often, for more money. Below are some of the counterintuitive ideas that Zyman advocates:

Focus on results, not activities meaning marketers should understand that the goal is selling and not just the running of promotions, and if they do, they sell a lot more stuff.

Marketing is an investment which means marketing is what you do to sell stuff, and then the money that you lay out is an investment not an expense.

Create demand through marketing since you may have the most modern fleet of airplanes properly outfitted with the latest seats, but you can only make money if you put butts in those seats.

Sell everything you can make since a good marketer ought to sell everything that a company has the ability to produce not just a portion of it.

If you think you can't sell more, you can't since marketing people setting low goals mean then they become self-fulfilling prophecies.

Realize that the bottom line is the bottom line meaning you absolutely cannot spend more money every year just to keep your old volume since volume is only relevant if it is profitable or actually creates sustained growth.

Aim for where you want to be, not where you can get which means a marketer should do a good job of defining results.

Chapter 2: Without Strategies, You Aren't Going Anywhere

Know that strategy is everything which means before you establish a clear image in the minds of consumers; you first need a clear image in your own mind of your strategy.

Chart your course and stay the course. Otherwise, you don't want to try everything since it would cost you a ton of money and you'd end up getting nowhere.

Don't go to the airport to catch the train by believing that volume is all that counts while you are actually destroying your brand product or service.

Neutralize the competition.

Kill the category. Zyman says if your strategy isn't working, then change it.

Always keep your focus.

Learn from everything which means you shouldn't have more than one strategy about any issue but you need strategies about lots of issues.

Understand that everything communicates which means strategy is the one thing that will keep you clean. When in doubt, just check whatever you want to do against strategy.

Chapter 3: Marketing Is Science

Get really close to your data since when you start really looking at exactly how much things cost and how much profit you are getting as a result of incurring those costs, you become a much better marketer.

Measure the results.

Change your mind when your plans do not deliver results. At the first opportunity change your mind if your figures tell you differently from your expected results. Remember you should be concerned more about your shareholders than your egos.

Debrief success by figuring out what is working and what is not so it can be replicated elsewhere.

Just because your promotion worked it does not mean that it worked for the reasons you thought it would. You have to conduct a research and find out.

Look backward and forward which means marketers should be ready to do more quantitative research to get more accurate data.

Own the dialogue so when you do your research, people won't give you the answers to questions that you did not ask or failed to ask.

Ask the right questions.

Decide and revise.

Learn the value of listening by considering always the power of the consumers.

Don't forget to ask why since asking moves one from cognition to connection and from being aware and applying the information inherent in it to other situations.

You don't have to win every round to win the fight. You have to test and revise. You'll lose a few rounds but end up a winner in the big fight.

Part 2: How To Sell The Most Stuff And Make The Most Money

Chapter 4: Positioning Is A Two-Way Street

How branding creates identity. Consumers are able to identify a number of desirable qualities and traits with a specific product that branding evokes. It also allows marketers to do incremental marketing which is a lot cheaper while selling more.

Why mega brands are a rotten idea since it takes away the uniqueness and say in effect, "Look all of our products are basically the same." Differentiation of products is the sole purpose of branding. Differentiation is critical while sameness has no value.

Why brands are static? This is simply because a marketer has to constantly challenge his own brand concept to make sure that it is proprietary and that he can go against competitor's day in and day out by defining and redefining his concept against them in unequivocal terms.

Compete against yourself. Make your marketing simultaneous and not sequential. This allows you to broaden your market base by positioning your product and by competing with your other products as well to make your product distinctive and broad based.

Why image does matter? Marketers should make the connection that creating image should do well to sell products. They should also have an overall strategy of dominating a market.

How to define consumer expectations that your competitor can't meet. For many people, image has something to do with feelings, emotions, or subliminal impressions. It is important that image building be done in a logical, strategic, and systematic manner wherein all the elements that will go into creating an image blend with the overall image that is attractive and is compelling to customers. Know the different kinds of imagery. These are:

- Trademark imagery. This type of imagery gives customers a level of confidence and continuity that gets them to listen the next element of imagery. Created over time it appropriates for itself the images, actions, and events that shape what the trademark means to customers and potential customers.
- Product imagery. This refers to the actual characteristics of the product or service what it is supposed to do.
- Associative imagery is an effort to find common grounds with consumers by looking at their interests as our interests. A marketer should have always a reason and a strategy when choosing an associative imagery which should fit well with the overall strategy of the brand.
- User imagery. Here the aim is for people to identify with your product as the kind people like and use. This is why models are always young, thin, and beautiful.
- Usage imagery. This imagery defines how the product is consumed and where
 - Stake out your turf. A brand's image is the overall impression that people have about it while market positioning is what marketers want people to think and feel about it.
 - Don't fight the brand immune system. Zyman says, "New coke represented a foreign organism to consumers and the immune system sent antibodies to get rid of it." This means you should kill the brand if the research firmly indicates that the drivers of consumption are changing when making a change or a switch in your brand.
 - Control the dialogue. Zyman tells us that "Positioning the competition means defining the rules of the game in the marketplace."
 - Limit the issues but broaden the dialogue. Here Zyman suggests narrowing how your competitor is defined to a single trait or quality while simultaneously broadening yours.
 - Compare for a strategic advantage. What is important is to establish a standard for judging then clearly show how well your product meets or exceeds the standard. When the consumer buys into the standard, he or she will make the comparison.
 - Steal from competition. This means stepping on the positioning of choice and change with your competitors.

Chapter 5: What Do Bill Clinton, Princess Di, And Ramadan Have To Do With Selling Stuff?

You can never know too much about consumers since if you ignore a bit of potentially valuable information about consumers, you are definitely wasting your money. This means marketers have to understand the whole environment in which people live to get a pulse of the consumers in that environment. Anything happening in that environment may change what consumers may do or don't do.

Watch the world not just your market. This means a marketer must be aware of global events and adopt positively those underlying reasons that would impact in marketing his product.

The rise of consumer democracy means that consumers understand that they have a choice...but they have no idea how to decide or make a decision. This ensues from globalization giving consumers more choices than ever before. As an opportunity, marketers should give consumers compelling reason to buy by giving them more information and compelling reasons for them to make that decision to make a purchase.

Don't let price be the tiebreaker because Zyman explains that even if your product isn't that different, better, or special, it's the job of the marketer to make people think that it's different, better, and special. This means don't let the consumer decide on the basis of price alone. Otherwise your business could go down the tubes easily.

Consumer communism-it's the pits. Zyman tells us that consumers will listen to the last message they've heard or what their aunt, husband, or wife says or thinks before they decide to make a purchase. The adage being what is good for them is good enough for me. Marketers should always think of the consumer and provide the information that will compel him to buy the product or service.

If people are fasting during the day, sell to them at night. A classic example is Ramadan in the Middle East where Muslims fast for 30 days.

When one thing changes, everything changes. Marketers should factor in political and social changes into their plans since when the environment changes, the consumer changes.

What's aspirin got to do with detergent? This means trends and events in one market can also provide valuable insights to people in seemingly unrelated markets.

Get them while you have them. Marketers should build relationships with their consumers to make sure that they keep on coming back for more purchases. Repeat sales are an indication of an effective way of establishing a positive relationship with consumers.

Goodwill counts. Zyman explains that if a marketer has done a really good job, its customers will even be suspicious of anyone else who comes along.

Chapter 6: What Jerry Seinfeld Can Teach You About Marketing

Go ahead: Ask them to buy your product. Zyman explains that Jerry Seinfeld's joke must have a setup, a delivery, and punch line! Marketing does too." It means marketing must have a setup: the reason for the product; a delivery: the reason to buy; and the punch line-buy it please.

Awareness is the first step in brand awareness. The second is the purchase intent. The third is a share of future purchases.

Consumption is what counts. People need reasons to buy. You have to give them those reasons so they keep on buying again and again.

When you dimensionalize, you give consumers more reasons to buy which in turn equal more sales. Think like a politician. This will enable you to segment your market and craft offers that appeal to each segment.

Never stop adding reasons. You should expand the reasons why people should buy your product both intrinsically and extrinsically. And this will help you always refresh and redefine your product.

Expand the market by redefining it. Anytime someone understands your product or service it is time to reinvent it.

Pay attention to conversion rates. The more potential consumers you convert into actual buyers the more efficient your marketing spending becomes. It pays to ask your customers what they want.

Chapter 7: Fish Where The Fish Are

Where's the money? When looking at a new market, always quantify the true potential and invest accordingly.

The biggest market potential may be at home and it is usually is the case.

Create P & L's by brand, by market. This is important. When you spend money you have to make money. You need to do your profit and loss statements regularly.

When a market's in turmoil, keep spending and resist the temptation to cut spending since it allows you to put additional value into your product which during normal times will be translated into a residual sense of how much consumers value your product.

New products must do something new. The only reason to introduce new products is to make money. But if you are going to introduce one because your competitor has one then you are not going to maximize your profits.

When you have a new product, don't ignore the old ones.

The power of the insurgent incumbent. Whenever there is a new product in the market or an improvement of the old product, you may quickly extend to your product lines to add the new features.

The volume trap. Always remember that you are in the profit business not in the volume business.

Make sure your cannibals eat your competitors. You are always better off losing customers to anyone of your product lines than to your competitors. Do a rigorous consumer research and figure out where the volume for the new product is going to come from.

Find the S.O.B. Who is going to buy your product and where they are going to get the money.

Think about all the potential growth.

Growth is the goal. At the end of the day, growth is the goal and the imperative.

Chapter 8: Don't Stop Thinking About Tomorrow

The future is coming-don't wait for it. Either you become the agent of change or somebody changes them for you.

Create the future. When you redefine yourself, you put your competitors by comparison in a totally different position.

Change begets more change. And you must be ready to take on any opportunity.

Different plans need different resources. When you decide what you want the future to be, you have to create tools necessary to get you there.

Break your own rules. The game is to constantly change the definition of what you are doing so your competition keeps on lagging behind.

Zero-base your thinking. To get ahead of everybody else you need a constant stream of new marketing ideas and reasons why your consumers should buy your product or service.

Kill last year's ideas. While creativity does not mean changing from what was done in the past, it does not mean criticism of what was done in the past. What it means that creativity is a process of disinvesting that what was a good idea then is no longer a good idea now.

Learn to manage creativity. Use strategy and discipline in the process of managing creativity and you will get the results that you want.

Keep moving the finish line. Always think of your next destination.

Little steps can take you a long way.

Part 3: With Whose Army?

Chapter 9: Don't Count People-Count Results

Hire professionals not amateurs.

Hire the best, then find them a job. Hire only marketer professionals.

Get blood transfusion. Hire more professionals if you need them for your expansion.

You can never have too many productive people. Find the best practitioners.

Let them do their stuff. Let them do their work and delegate.

Be clear about decision making. Don't be afraid to say no. People are not excited about maybes. You have to define decision making rules.
Everybody's got to learn and teach.
Learn that responsibility goes with authority.
Think globally, act locally.
Reward excellence.
Everybody's in marketing. When you sell the system, they will sell the product.
Communicate clearly and precisely. Make sure that marketing is too important to be left solely to the marketing guys.
Listen to the experts. Cross-functional teams are overrated.

Chapter 10: I Like Ad Agencies-And Some Of Them Even Like Me

Why so many ad guys hate me: what I did and why.
A brief history of advertising. Here Zyman advocates that the primary purpose of advertising is to deliver results.
Awards don't sell products.
It's the client's strategy, not the agency's. Agencies can never make smart fully informed decisions because they are never going to be fully informed.
What's left for the agency to do? The client figures out what to say and the ad agency that figures out how to say it most effectively.
Hire the best in each market, for every brand.
Pay for what you need, and expect the best.
Focusing on results lets creativity blossom.

Conclusion: Traditional Marketing Is Not Dying-It's Dead!

In essence, Sergio Zyman summarizes the Principles of New Marketing as:

The sole purpose of marketing is to sell more products to more people, more often, and at higher prices.
Marketing is serious business-and, increasingly, serious business is about marketing.
Marketing is not magic, and marketers do themselves no favor when they pretend that it is. There is nothing mysterious about it.
Marketing is a professional discipline. You can't leave it to anyone else who isn't a trained professional.
The marketplace today is a consumer democracy. Consumers have options, so marketers have to tell them what to choose.
Plan your destination. Make it where you want to be, not where you think you can get.
Once you have your destination, develop a strategy for getting there.
Strategy is the boss. Never forget it. Strategy is what controls the "everything" in "everything communicates." You can decide to change your strategy but you can't deviate from it.
Marketing is a science. It is about experimentation, measurement, analysis, refinement, and replication. You must be willing to change your mind.
Figure out what is desirable and make that what you deliver; or figure out what you can deliver and make it desirable. But remember, the former is a lot easier than the latter.
Measure each brand and each marketing region. Do it regularly and often, at least monthly.
Marketing must create results.
Ask questions. Be aware, insatiably curious, and creative. Creativity is really a process of destroying old ideas, but that's okay. Every day is a new day.
Sameness doesn't sell. The value of your product will be determined by its differentiation from the competition in ways that are relevant to the consumers.
Build your brands by using all the elements of image.
Use the right yardsticks: focus on profit not volume; on actual consumption, not share of market; and on share of future purchases not brand awareness.

Keep giving your customers more reasons to buy.

Market locally. Give your customers something that appeals to them personally. Global brands are built out of so many strong local brands.

Fish where the fish are. Concentrate your sales efforts on consumers who are willing and able to buy your product. Segment the market to help you identify your most profitable targets.

It is significantly easier to increment behavior or broaden behavior than to teach or change behavior.

Think S.O.B-Source of Business; where will your next sale and dollar of profit come from?

Don't be blinded by visible demand. Preference is perishable. Keep selling the sold.

Make sure everybody in your organization understands the strategy, the destination, and the business objectives. Then let them execute.

Find the best available marketing professionals and create jobs around them. You've got to have the best people, not the best organization chart.

Reward excellence and punish mediocrity.

Strategy is your job. The job of your ad agencies is to communicate effectively.

No single agency can satisfy all the needs of all of your brands. One size definitely doesn't fit all.

Pay well so your agencies have the resources to attract good talent-but demand results that are measurable.

Have a sense of urgency, and work with passion. Otherwise, what's the use of getting up in the morning?

Brilliant and irascible, Zyman is best known for reinventing The Coca-Cola Company's marketing approach by spearheading the launches of such world-class global brands as Diet Coke, New Coke, Classic Coke, Fruitopia, and Sprite. Over a combined thirteen-year period, Zyman directed a zestful multibillion-dollar marketing effort, masterminding such timeless campaigns as "Coke Is It!" and "Always Coca-Cola," that resulted in sales of more than 15 billion cases of Coke products per year to over 5 billion consumers in 190 countries. Digital marketing is disrupting the world of marketing. The digital marketers, agencies, entrepreneurs, and founders who don't want to accept that it's time to disrupt are going to be left behind. DigitalMarketer is not one of them. What "it doesn't scale" really means is "we don't know if it's working and we don't know how to track it. But if you're not careful, saying something doesn't scale can hurt you in the long run by killing a good idea. Here's a new idea, do the things you cannot track.