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In Marketing, Either Adapt or Fall Behind

BY ROB ELSON

Seasoned marketing professionals took to the main stage at ICI's General Membership Meeting to survey the modern business landscape and unpack strategies for reaching and retaining customers in a digital, data-driven world.

Drawing on their unique perspectives, BlackRock's Frank Cooper III, Salesforce's Simon Mulcahy, and Nuveen's Martha "Marty" Willis each shared sharp insights on how the business-to-customer relationship is changing—and on what companies must do to keep ahead of the curve.



Putting the Customer at the Center of the Universe

So how much do people care about their interactions with businesses these days? “Do customers want the relationship or just the transaction?” Cooper asked. The answer, Mulcahy said, is neither. More than anything, he explained, customers just “want the job to be done.” Successful business models “create a low- or zero-effort experience for the customer, where the product is only a ‘helping agent’ to give the customers what they want.”

For instance, he added, people don't want to buy a stock; they want financial security. They don't want to buy a house; they want to own a home. They don't want a ride; they want to be at their destination.

The challenge for firms is to move from taking a “product-centered approach—where it's all about transactions—to putting the customer at the center of the universe.” And now more than ever, doing so requires making data a core part of your operating model.

Easier said than done, though, especially for legacy companies who have operated under a product-centered approach for decades. Citing her experience at several companies, Willis advised that to change the culture, you'd do well to pursue small victories, secure support from the top, and recognize that lasting, meaningful progress takes time.

Focusing on Values-Based Marketing

Companies at the bleeding edge of this data-driven approach, Cooper observed, are getting good value for their effort, “finding that traditional demographic categories—like age, income, and geographic location—are becoming less and less effective as proxies for how people think and behave.” With the help of machine learning, companies are instead sorting people by their values.

Mulcahy summed it up succinctly: a 15-year-old living in DC and an 80-year-old living in Germany who like the same TV programs could easily share more values than two people of the same age who live down the street from each other.

The panelists agreed that people increasingly value doing business with companies that look beyond the bottom line—that incorporate a broader sense of purpose into their work. Companies that embody this sense of purpose, Willis opined, are more likely to win a new, growing generation of consumers who care more deeply about social causes than their forebears.

Attracting and Inspiring Top Talent

People are also looking for purpose in their employers, Cooper noted, citing research showing that when employees feel connected to the organization they work for—when they feel like they’re contributing to something larger than themselves and their employer—they sustain higher levels of performance over a longer period of time.

Fewer people now accept working for companies they don’t believe in, and people’s evolving value sets have set off intense competition for talent—where companies are working harder than ever to align their values with those of a new workforce. What experts have found is, in a hyperconnected world where we can often feel connected to nothing, finding a connection at work can sometimes mean everything.

Learn More

Find the video of this discussion at ICI’s GMM video page. Find more meeting highlights at the GMM highlights page.

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