

Representing professional marketers in Ireland, North and South

Newsletter – December 2011

The Chartered Institute of Marketing in Ireland celebrated the highlight of its centenary year last month: the CIM Ireland 2011 Marketing Excellence Awards in City Hall, Belfast.

Centenary awards spectacular!

The awards, which attracted more than 400 guests, celebrated the remarkable achievements of the marketing profession across the island of Ireland. Big winners on the night were Munster Simms Engineering, who picked up three awards, including Marketing Excellence for Engineering, Best New Product/Service Introduction Campaign and the one-off Centenary Marketing Excellence Award for the private sector.



Other top winners included Autoline Insurance Group, Northern Ireland Chamber of Commerce, Fleet Financial and Translink, picking up two awards each. Northern Ireland Screen picked up a new Chairman's Award for Special Recognition for contribution to the film industry while



Lyle Bailie & DOE Road Safety picked up the same recognition award for marketing impact.

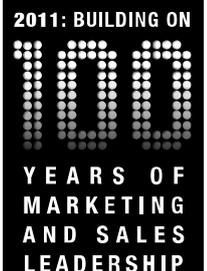


Renowned Irish entrepreneur Paul Costelloe addressed the audience with inspiring words about how he built his global fashion brand and how he has diversified and adapted his business over his long and prestigious career. Guests were also given a special

treat with the appearance of the stunning Titanic Belfast Dress, based on the iconic outline of the new Titanic Belfast visitor attraction.



During the event, Charles Fulton, Chair of CIM Ireland (pictured centre), received the prestigious CIM President's Award for his services to the Institute.



Stephen Brown



Stephen Brown, "the treat you can read between deals without ruining your marketing strategy", once again provides us with his insights into marketing strategy, with the second part of his series on branding...

Your customer needs you

Six weeks. That's how long front-line, middle-ranking officers lasted during the First World War. The death rate of subalterns far exceeded that of senior staff officers and poor bloody infantry alike. The middle men were mown down unmercifully.

The same is true of business. Middle means massacre nowadays. In our brutal business environment, the brands in the middle are suffering disproportionately. So much so that many mid-market brand commanders are faced with an advance or retreat dilemma and most seem unable to make up their minds – which is fatal. Starbucks is closing some stores, radically remodelling others and generally trying to reclaim the high ground it held before its attempted march to total global domination. The same is true of many other 'populux' brands, such as Pandora, Saks, Target and Estee Lauder. They are heading for the hills of premium prices and fat profits, in accordance with Citigroup's 'hourglass' theory of middle-class consumer behaviour, but it's a steep and dangerous climb.

Hewlett-Packard's recent fire-sale of TouchPads on the other hand is a precipitous charge downmarket. Slashing the prices of big name brands can move merchandise as never before. But it does terrible damage to the painstakingly acquired reputation of the company's entire brand portfolio. Ceding one's price premium in HP's manner can gain much-needed territory – every consumer wants a bargain, these days especially – but it's only a temporary advance. The gains can't be consolidated without heavy brand artillery, which takes time to manoeuvre into position.

Another popular middle-ground tactic is the much-vaunted 'fighting' brand. This is the launch of a discount brand, nominally unrelated to the premium priced brand, which goes head-to-head with low-cost competitors.

Procter and Gamble, for example, recently launched a fighting brand of cheap and cheerful dish soap, Gain, just as they previously did with the Luvs brand of discount diapers back in the 1980s.

Busch brand beer was likewise developed by Budweiser to fend off cheaper regional brews way back when. Intel tried to pull off the same trick with Celeron brand processors when its premium-priced Pentium chips came under pressure from AMD. General Motors, moreover, launched Saturn compact cars to compete with the Hondas, Hyundais and Toyotas that were eating its lunch. Saturn was a battling brand like no other, lauded in business schools worldwide. But it never broke even, much less make a profit. In marketing terms, it was a kamikaze car, the suicide bomber of branding. It was borne off to brand Valhalla this time last year.

The basic problem with trying to fight your way out of recession by taking on the discounters is not simply that the casualties are ordinarily very heavy but that terrible collateral damage can be done to the parent brand.

As marketing guru Mark Ritson explains, fighting brands like Go Airlines, the brash subsidiary of British Airways that tried to tame the low-cost attack dogs called Ryanair and EasyJet, suffer from five fatal weaknesses. They can cannibalise the core brand (most do). They can be roundly trounced by the competition (many are). They can be costly to develop and launch (what brand isn't?). They can fail to connect with consumers (just like the majority of new brands). They can distract managers from more important duties (they often end up fiddling while the core brand burns). The failure rate of newly launched brands is prodigious at the best of times, 85% or thereabouts. The failure rate of fighting brands is even greater.

So, what should mid-market organisations do in our war to end all wars? Hunker in the bunker while waiting for the bombardment of bad news to stop, hoping against hope that they'll avoid a direct hit? Wave the white flag of surrender, which is anathema to red-blooded, street-fighting businesspeople? Full frontal assault, only to go down in history as a heroic failure like the fighting Irish at the Somme?

No! Battle-hardened brands know better. The secret is to be smart, be different, be imaginative.

Don't fight head on. Fight with your head on, by being cleverer and more cunning than the competition. Be a brand commando. Employ the improvised explosive device of innovation. In business as in war, everything depends on the terrain, on the timing and on the creative thinking of those directly involved. Brute strength isn't the be all and end all. Be crafty. Be canny. Be calm and carry on.

Facebook marketing for businesses – don't be a bah humbug



Kathryn Leech is Director of Navajo Talk and former Head of Digital Marketing at biznetIIS. With over six years online marketing experience, specialising in search engine marketing, social media and e-mail marketing, Kathryn has extensive experience in working with all business sizes

and sectors and currently teaches the CAM Digital Marketing Diploma.

Facebook's rules of engagement and the way consumers use the network mean that for all your 7,000 likes, customised pages and great content – if you don't understand Facebook's Edgerank and Insights – then you're destined to be about as engaging as Ebenezer Scrooge.

A Facebook 'Like' costs people nothing. Facebook users visit a branded page, like it, and from that point they interact with any update you send from their own homepage news feed, only returning to your page if you give them good reason. The introduction last summer of the news feed 'ticker' means that Facebook is giving priority to what it deems to be the most relevant updates. So how can you be sure your updates are getting in front of your audience? You can't, but understanding Edgerank (Facebook's algorithm) is a good start.

Facebook wants to make money from advertising and therefore needs to give its users content that is popular, relevant and recent – this is the holy trinity of Facebook Edgerank.

Popular: how regularly do you provoke followers to like your posts, comment on them and participate in your polls, competitions or games?

Relevance or weight: do you take full advantage of Facebook's different update types including polls, videos, images, links and different format-types? Posting the same format regularly isn't going to cut the Christmas Turkey any more.

Recent: create a content calendar that includes a variety of the above, be prepared to experiment with posting at different times of the day, and don't be too precious about the subject matter... if your followers are talking about something, then join in.

Complicated? Don't worry, Facebook is there to guide you and its new Insights provide a wealth of statistics to help you monitor and refine your content strategy. This includes impressions (the number of followers that potentially saw your post); virality rating (allowing you to gauge the type of post people are likely to share); and you can also gain demographic detail (including geography, gender and age), allowing you to give your followers more of what they want.

Don't assume Facebook is the same channel as a website. Facebook is a social space where there is so much noise you'll need to adapt to stay above it – your tone of voice and content strategy need to reflect this. Your brand needs to adapt to Facebook and you'll need to be prepared to join conversations outside of your comfort zone.

If acquiring 'Likes' is all you want then carry on, like Scrooge, in your big, cold house while the world passes you by. But if you want to create an engaged audience base that are likely to multiply your messages, increase your virality, and get your messages in front of more people, then loosen the shackles and embrace Edgerank.

New Board Chair for CIM Ireland

After six years of dedicated service to the Institute, Charles Fulton is standing down as Chair of CIM Ireland. The Ireland Board have recently elected John Edmund as Chair, commencing January 2012. We will continue to benefit from Charles's presence on the Board and he will be taking the lead in organising The Pitch student competition in Northern Ireland.

John Edmund is a career marketer. After taking an MBA at Queen's, he trained with one of the few stock market listed companies based in Northern Ireland; initially as a market analyst prior to moving into corporate sales and marketing. After spells in industrial and local economic development he entered the management consultancy profession,

eventually leading the UK marketing team for one of the world's top ten accountancy practices and controlling all their consulting operations on the island of Ireland. In 1990 he established his own consultancy business.



John is an Honorary Fellow of CIM and was Chairman of the NI Branch in 1990 and 1998/9. He served on CIM's National Council and Executive becoming Chairman in 1998. He was Vice-President of the European Marketing Confederation from

1998 to 2000 and is a Liveryman of the Worshipful Company of Marketors. He is also a Member of the Strategic Planning Society.

New Fellow



Russell Moore is one of Northern Ireland's most experienced digital marketing professionals and has just been elected a Fellow of the Institute. A major supplier of digital media production and consultancy services for the Belfast advertising

and PR agencies' market since 1994, Russell is particularly interested in the rise of relationship marketing as a preferred business management strategy and the role of digital media technologies, including social media and CRM, in the new integrated mix. He is currently Business Development Director and Head of Digital for the Belfast offices of advertising agency RLA.

A founding committee member of the NI digital industry's trade association Digital Circle, Russell currently sits on the IPA Northern Ireland Group committee and was recently named Northern Ireland Digital Business Person of the Year for 2011.

If you meet the criteria for Fellow and wish to upgrade your membership, please [download](#) an upgrade form (you will need to sign in to CIM's website to access the form).

Why marketers need CRM



David Beard is PreSales Manager – Enterprise at Sage (UK), one of the CIM Ireland Marketing Excellence Awards Business Partners, whose support CIM Ireland is very grateful for.

Many organisations feel CRM solutions

have failed to deliver. While it makes intuitive sense that improving customer relationships will improve the bottom line, there is often a lack of evidence and some companies actually believe that CRM could damage relationships with long-standing customers.

Yet approached properly and with the right measures for success applied, CRM improves an organisation's ability to target potentially profitable customers, craft propositions to meet their needs, and build strong and long-lasting relationships.

One of the most important assets any organisation has is its customer base. Understanding what drives the greatest lifetime value from customers and how to manage relationships to improve their retention should inform decision-making, not only in marketing but also in sales and service operations.

Going far beyond database marketing, CRM integrates vendor and customer agendas so that marketers can maximise profitability, while also producing greater satisfaction and returns for the customer.

Greater knowledge about every element of a customer's relationship, what they have bought and when, the value they put on different products and services, and their positive and negative experiences, all help marketers to craft more individualised messages.

Enabling marketing departments to focus on customers rather than products, CRM, with this ability to understand individual customer behaviour, supports a customer-centric approach.

CRM also helps identify the true cost of servicing individual customers. Products and services can therefore be packaged and priced differently based on a deeper understanding of different customers.

CRM can add value to organisations of any size, in any industry. In even the smallest business, it can be hard to make sense of every bit of data, make sure everyone knows about every interaction with every customer, and ensure that every action is followed up, accurately and on time. By helping businesses to cope with ever-increasing customer demands, CRM reduces complexities in both processes and communications.

One reason for negative assessments of CRM implementations may be that the wrong things are being measured in an attempt to identify its impact. To properly quantify its impact it's necessary to identify specific areas for improvement. For example these might include lowering the cost of sales or improving campaign targeting. In addition, improved information flows may lead to faster and more effective issue resolution by customer services. Success can also be seen in increased efficiency and effectiveness across all customer facing operations, which could be measured in terms of customer satisfaction.

A successful CRM implementation is one that achieves all these things and enables marketers to interact with customers armed with useful information. In a world of fierce competition, understanding what lies behind customer satisfaction and how to build advocacy and loyalty in customers is vital.

CRM has the capability to radically alter marketing. Its influence is clear throughout the whole marketing lifecycle and beyond, creating a continuous feedback loop between an organisation and its customers. Helping businesses to keep pace with the ever-changing needs and desires of customers, CRM converts data into business intelligence that can be used to boost sales, improve efficiency and increase profitability.

Retailers embrace the challenge

The retail sector accounted for 6% of UK GDP in 2006, with retail sales valued at £256 billion – larger than the combined economies of Denmark and Portugal (BRC 2007). Some of the companies operating in the UK retail sector are amongst the best and most innovative companies in the UK.

Tesco, for example, has 450,000 employees, operates in 12 countries, and has an annual sales turnover of £43 billion. 11 per cent of UK businesses are retail businesses, and one in nine people in the UK are employed in the retail sector.

Given the economic and social importance of this sector, it is a clear priority for CIM to develop a greater understanding of the role of marketing within this sector. Conditions within the sector make growth ever more difficult to sustain, particularly given the deflationary trends within the sector as retailers continue to react to competition by sourcing centrally, often involving global supply chains, in a bid to drive their costs down.

Retailers are increasingly turning to innovation to seek to differentiate themselves, in terms of online channels or innovative marketing campaigns to increase consumer loyalty and to improve the customer experience.

On 25 January 2012 CIM Ireland are holding an event to examine the innovative marketing campaigns being used at Liverpool ONE, which was widely acclaimed as the largest city centre retail-led regeneration scheme in Europe at the time of its opening in 2008. Donna Howitt, Marketing Director at Liverpool ONE, will share best practice and the lessons learned. We are delighted to acknowledge the support of Belfast City Centre Management in organising this event.

[Book online](#) or phone 01628 427340 to attend.

CIM is looking into establishing a Retail Market Interest Group for members – if this is of interest to you please [e-mail Diane Earles](#) for more information.

Births and deaths

The latest UK National Statistics on business demography have just been released by the Office for National Statistics.

Within the regions, London had the highest business birth and death rates at 13.1 per cent and 15 per cent respectively. Northern Ireland had the lowest birth and death rates at 7.8 per cent and 9.1 per cent respectively.

In 2010, all regions had higher numbers of business deaths than births. For further analysis see the [Office for National Statistics](#) website.

CPD opportunities via Art & Business NI

Nearly half CIM's professional members are registered on the Institute's Chartered CPD programme, which can lead to gaining Chartered Marketer status. There are over 5,000 Chartered Marketers in the UK and Ireland and the number is forecast to rise rapidly. There are many ways in which you can earn CPD hours including mentoring and charitable activities – see the complete list of [CPD categories](#).

Colleen Murray, External Relations Manager, Arts & Business, explains how it can help you to maintain and gain Chartered Marketer status.

Arts & Business Northern Ireland

Successful businesses know that in order to maintain a competitive edge it's imperative to keep staff motivated and well trained. Many businesses are now exploring talent management from new perspectives. The Arts & Business NI's professional development programmes, Board Bank and Young Professionals on Arts Boards, offer practical, real-life strategic leadership opportunities for local businesses and their employees.

Businesses speak about challenges around human capital and how their partnerships with the arts have provided creative business solutions around team motivation, staff engagement and people development.

Many businesses are seeing the Arts & Business NI professional development programmes as a way of enhancing the personal development of their young or senior directors. Both Board Bank and Young Professionals on Arts Boards match business executives with cultural Boards, and also work closely with the business person to enhance their knowledge of best practice in effective governance.

Joining the ranks of an arts board can also play an important part in personal advancement and career development. Gaining experience as a non-executive director or trustee develops key skills, including strategic management, leadership, problem solving, confidence building, creative thinking and building networks and relationships – all important skills for any developing young director or business professional.

'Our Time' in tourism

National Geographic US Traveller Magazine, November 2011: "Belfast – a world must-see place for 2012: a capital that is redefining itself in the eyes of the world"

The Northern Ireland 2012 programme of events 'NI2012: our time, our place', presents a fantastic opportunity for Northern Ireland to shine both close to home and in the international market place. 2012 is a special year for Northern Ireland as it marks the centenary of the fateful maiden voyage of the Titanic, one of the world's most instantly recognised stories.

At our event on [26 January 2012](#) the Northern Ireland Tourism Board will tell us about a programme they have developed for 2012, which includes a series of events to ensure that 2012 delivers a real chance to change perceptions of Northern Ireland. Key highlights include the Titanic Belfast Festival 2012, focusing on the new £97 million Titanic Belfast visitor attraction and the iconic Titanic Slipways. The Festival will showcase the new building alongside a wide range of creative and cultural events.

MTV have reaffirmed their commitment to return to the city next year to coincide with the NI2012 programme. Belfast delivered a knock-out MTV EM's performance in November 2011 – if you would like to hear more about [how MTV were enticed to come to Northern Ireland](#) then register for our event on 28 February.

Since the MTV gig in November, online searches for Belfast have dramatically increased. According to Hotels.com, online searches for 'Belfast' by German tourists have risen by 300% compared to the same period last year. The company also said search queries for the city were up by 200% in France, 61% in Britain and 17% in the US, compared to the same period last year.

To support this programme, a full suite of creatives have been developed with an associated strapline and industry toolkit, and digital, consumer and civic pride campaigns are being scoped – all to ensure that 2012 puts Northern Ireland firmly on the world stage.

[Come to our event](#) on 26 January and hear how this year will be one of the most extraordinary years in our history, and discover the hard graft and creative energy behind making it happen.