

**At the confluence of customer knowledge, delivery and engagement
forming a challenging evolving delta of marketing, technology and management**

Theodor Purcărea



Abstract

As youth is the primary driver of business and culture in our hyper-socialized world, businesses must to adapt accordingly, including by better understanding the human nature and refocusing on long-term value creation and for building long-term sustainable futures around the needs of the customer. Marketers cannot enforce inertia which keeps company's customers around, going beyond the retention marketing and customer development efforts, and letting the customers to tell what the patterns, rediscovering the invisible consumer, while loving both the invisible and visible consumers, not forgetting that the measure of company's success consists of creating a remarkable brand in the habits and minds of very ordinary people. And as we live in impatient times characterized by the tendency to discount the value of future gains, marketers should place customers at the center of their company, focusing on delighting them. Digital marketing, as part of the bigger whole that is marketing, has brought new aspects to that whole. Today, complexity is a challenge and a reality. The marketing organization must redefine itself as a revenue generator, marketers need to embark on a journey "with" customers (not "for" customers), by sharing purpose, which is what powers brand value. In our user driven world, modern marketing is built on a continually updating view of the customer, a comprehensive view of the customer being central to marketing's challenge, always remembering that there are people at the other end. Modern marketers are adaptable, inquisitive and have the ability to collaborate, having a good understanding of technology, taking appropriate action in the right moment by creating and managing increasingly targeted, personalized and action-oriented messaging across all changing marketing channels, helping their customers to quickly get guidance and make decisions on critical matters, ensuring a higher quality faster interaction with their customers deeper targeted through increased knowledge of their preferences and behaviors. They are always searching for ways to meet their customers' changing needs and evolving life stage requirements, are developing multiple points for their customers' feedback, and are using marketing to educate not just promote. Modern marketers are also harnessing the power of new technologies, attracting the next generation of talent to build engaging brands and content, personalization of digital experience being at the heart of the efforts to overcome around how they create intimacy and relationship in the digital world of customers overwhelmed by a lack of time and too much choice.

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**The question of the day among the generation
that has received the most marketing attention**

According to Matt Britton (Founder and CEO of MR.Y, a creative and technology agency dedicated to making brands remarkable; MR.Y was named two years ago “Digital Innovator of the Year” by Mashable), an expert on youth marketing and social media in leading media outlets, youth is the primary driver of business and culture in our hyper-socialized, Facebook fanatic, selfie-obsessed world, (Britton, 2015) and businesses must to adapt accordingly by embodying the ideals of today's “YouthNation,” becoming “agile, connected, authentic, artful, meaningful, immersive, and socially responsible.” (Britton, 2015) He reminded us recently about the question of the day among “*Millennials*”: *Where to capture an unforgettable experience right now?*

Millennials (Millennial Generation, Generation Y, Echo Boomers), *the generation* (having birth years ranging from the early 1980s to the early 2000s - wikipedia.org/) *that has received the most marketing attention*, (whatis.techtarget.com) are considered to be mostly the children of Generation Xers (Baby Boomers), being generally marked by an increased use and familiarity with communication, media, and digital technologies. (mashable.com) The Founder and CEO of MR.Y shows the followings: this “YouthNation” was shifting away from the status symbols that defined Generation X (term coined by the Magnum photographer Robert Capa in the early 1950s, and popularized by Douglas Coupland in the 1991 novel “Generation X: Tales for an Accelerated Culture” - wikipedia.org; the Latchkey, Baby Buster, Slacker Generation - jensex67.com) toward a new defining trait for millennials constructed around experiences; this new American experience revolution was helped to be cemented by the explosive popularity (especially among YouthNation) *Instagram* (which enables its users to take pictures and videos, then customizing it with filters and creative tools and post it on and share instantly on Facebook, Twitter, Tumblr etc. or sending it directly as a private message - instagram.com; an online mobile photo-sharing, video-sharing and social networking service - wikipedia.org), that became one of the fastest-growing communication tools in history (boasting well over 300 million users worldwide); it's time to better understand this unique opportunity for brands or organizations offered by Instagram to connect this way with a community, with the help of some marketers' “*Pro Tips*” such as: *keep it real* (the mantra of YouthNation for talking on Instagram being “show us - don't tell us”); *go behind the scenes* (there is always a story to be told, by keeping your audience engaged and feeling closer to you and your brand); *be relevant* (it's better to be one of the first brands to jump on something happening across the social Web, then being ready to look for what's next); *cross-promote* (not only to extend your great visual content but also to encourage your fans and followers to join you on, by getting one chance at a first impression).

It is interesting to know that when it comes to shopper marketing recent US stats (Quick, 2015) show how Millennials (eighty million shoppers with one trillion dollars in buying power) know what they want: one-third of them being hyper-connectors (who use a wide variety of shopper media frequently); an almost equal number of them almost never using shopper

marketing to support buying needs (groceries and other CPG categories), rarely using, for routine shopping, digital tools that they deem essential to their daily lives. On the other hand, according to Forrester's Sucharita Mulpuru (Forrester Research being one of the most influential research and advisory firms in the world), retailers should stop obsessing over Millennials and instead turn their attention to older generations with greater financial power. (4hoteliers.com) And all these within the context a new study from the Pew Research Center for Media and Journalism (Ingram, 2015) which found that 61% of millennials who were surveyed get their political news from Facebook (this raising questions about the impact of the social network's news-feed ranking algorithm), compared with 37% who got it from TV.

Better understanding of the human nature. Throwing the nets in the more inertial directions, letting the customers to tell marketers what the patterns are. Refocusing on long-term value creation and for building long-term sustainable futures around the needs of the customer

An opinion expressed at the beginning of June this year showed that as a surprising percentage of Ohio State college students are bartenders seems to be interesting to know what marketers have to learn from bartenders' know-how, because they have a better understanding of the human nature. (Fletcher, 2015) These bartenders suggest accordingly the followings:

- *"take a side trip to a 7-Eleven"* (chain of convenience stores with 10500 locations throughout the United States and Canada), *and if you think that campaign is a good idea, then test it first*; for example, *in the list business*, (Fletcher, 2015) *marketers should*: think of testing as a strategy, instead of a sporadic chore; test at various times; cast a wider net; develop testing data before trying to negotiate a lower list rental; determine the testing dimensions: creative, targeting, offer, response channel); consider other measurements besides response rates; realize that list interaction reports still matter; implement a reuse strategy for prospecting efforts;
- *"don't date customers"*; it is important to understand how many consumers feel about relationships with marketers, and in this respect to consider the arguments brought by Peter Fader (a marketing professor and co-director of the Wharton Customer Analytics Initiative at The Wharton School at the University of Pennsylvania), about why consumers like to shop around. According to Peter Fader, (Fletcher, 2015) most of what keeps company's customers around isn't necessarily loyalty, but inertia and you can't enforce inertia, the best we can do being the hope that we get a pretty good mix of inertial ones, trying to make customers more loyal (a little bit of cross-selling and upselling). Of course, the retention marketing and customer development efforts should happen, but it is better to understand that:
 - the impact of those standard kinds of customer-development tactics is pretty marginal, the company's success being driven by the quality of the mix, spending more on acquisition, making customer lifetime value (CLV) calculations the right way, focusing on acquisition as much as we

should, making sure that we throw the nets in the more inertial directions, letting the customers to tell us what the patterns are;

- as you stay around longer as a customer, your propensity to leave increases over time, the relationship between firm and customer and firm and employee being quite the same (what it says about us as a species being much stronger than what marketers believe; a lot of the best principles for these polygamists customers stemming from the London statistics professor (coming from a German academic family, and giving us the empirical basis to doubt deeply any number of marketing truisms – Creamer, 2011) *Andrew Ehrenberg* (Fader was building an Ehrenbergian model on some data set for some confectionary manufacturer, resulting that customers have relationships with lots of different providers at one time, like a bunch of different relationships going on at once, while recognizing that he is not an expert on how this translates to other forms of relationships, but believing that people will discover these same kinds of patterns in ways that a lot of businesspeople would find downright offensive);

- “*you don’t have to go home, but you can’t stay here*”; for marketers this can be translated by the advice given to email marketers in 2011 by John Murphy (President of ReachMail, Chicago) in order to increase audience engagement: “*select recipients who have opened an email within the last three months (calling this the “engaged” list); send a separate re-engagement email to all others. It should: re-introduce the marketer, assume the recipient forgot who you are; and provide an excellent incentive, make the best offer possible [and] if the recipient still does not engage, then you know you have virtually zero percent chance with them.*”

Coming back to the Ehrenbergian model developed by the marketing professor and co-director of the Wharton Customer Analytics Initiative, Peter Fader, let’s remind ourselves of the opinion expressed (Weigel, 2012) in April 2012 by Martin Weigel, on the marketers’ need of rediscovering the invisible consumer (whose behavior are less public, less theatrical and less vocal than those of the visible consumer) and recognizing, understanding and valuing him, while loving both the invisible and visible consumers, not forgetting that the measure of company’s success consists of creating a remarkable brand in the habits and minds of very ordinary people. Allow us to add that two years after, (Weigel, 2015) in May 2015, Martin Weigel underlined that we live in impatient times characterized by the tendency to discount the value of future gains (coined by psychologists “temporal discounting”, and by economists “rates of time preference”), Moore’s Law continuing (while showing its age – Clark, 2015) to make its rampage and compressing everything it touches (including distance, time, and the feedback loop of the marketplace). Within this framework, Weigel referred to (among others):

- *Lawrence Green* (a co-founder of 101), who underlined the marketing mission drift: “*from an art practiced for the longer-term health of a brand and business, to a science lopsidedly focused on the short term*”; let us also remember here that on July 14, 2014 Lawrence Green argued, while approaching real-time advertising, (Green, 2014) that the marketing community should have a clear sense of the brand as “organizing idea”, find a space for the brand, seating brand at

top table, be lending its voice in calling for a refocusing of its efforts on long-term value creation and for building long-term sustainable futures around the needs of the customer.

- *Roger Martin* (Dean of the Rotman School of Management at the University of Toronto), who underlined that: “... *Companies should place customers at the center of the firm and focus on delighting them, while earning an acceptable return for shareholders.*”

Modern and Human Marketing Manifestos

Two years ago, Econsultancy CEO Ashley Friedlein introduced the Modern Marketing Manifesto (using the following alignment: Strategy; Brand; Experience; Data; Digital; Personalization; Technology; Creative; Content; Multi Screen; Social; Commercial), starting from their belief that the value of marketing is in the ascendancy, and from the need of reconstituting marketing as it is today with digital and classic fully fused. (Friedlein, 2013) At the top of the post Friedlein posed two questions (“*Is marketing becoming more, or less, important within organisation? Has digital completely changed what marketing is or has it fundamentally remained the same?*”), not forgetting to mention that digital marketing, as part of the bigger whole that is marketing, has brought new aspects to that whole. This post generated a very interesting debate which offered some very interesting perspectives.

Let us *summarize some of the ideas* brought within this context by significant marketers’ representatives: complexity is a challenge and a reality; the tools (technology driven by ideas) used by the marketers and expectations of the served customers changed, the decentralization of brand and marketing execution is also a change, but the basic truths of why marketers “market things” hasn’t changed; the marketing organization must redefine itself as a revenue generator (rather than a cost center) – accountable marketing, responsible for business performance; it’s time that marketers to embark on a journey “with” customers (not “for” customers), by sharing purpose (which is what powers brand value), knowing if their customers really want a relationship; there is a cultural shift, and the distinction between digital and technology will reduce with time; a brand is more about what the company does and how it behave than what it says, and the only way to develop long term trust in brands and engage people in a truly positive way is to engage customers in the conversation about the use of data; in our user driven world, modern marketing (working to simplify systems, experiences, and messages) is built on a continually updating view of the customer, a comprehensive view of the customer being central to marketing’s challenge; one of the key marketing issues in this modern digital world is how to build a magnetic brand (putting marketing strategy at the very top of your brand), customer focus, personalization and social being core to online gaming, while multi-screen (desktop, mobile, tablet, kiosk & TV) being one of the major focuses in a streamlined offering; ethics etc. The last post within this debate was that of Brad Bush, CMO at GENBAND, highlighting his publication “*Human Marketing Manifesto*”: *always remember there are people at the other end; see yourself as others see you; make your visuals count; not everyone is visual; moving pictures*

move people to action; build for the next generation; there is power in a good story; good manners matter; earned media is earned for a reason; learn when to keep quiet.

A year later, (Perkin, 2014) in May 2014, Neil Perkin (a renowned blogger, writer and the founder of Only Dead Fish, being also a consultant with Econsultancy, and writing regularly for FutureLab, Marketing Week and The Marketing Society etc.), spoke about the “Digital transformation” report (having Perkin as lead author produced with the assistance of Econsultancy Senior Research Analyst Heather Hopkins), which aimed: *“to identify the key issues, challenges and opportunities around the evolving skills of modern marketers in response to the rapidly changing digital marketing and media environment.* Key findings from this research about the skills of the modern marketer (as outlined in the above mentioned Manifesto) were as follows: *adaptability, inquisitiveness and the ability to collaborate* were the *soft skills most often cited*; critical for senior marketing leaders is a good understanding of technology; there is a real challenge of finding people that have both skills, the technical ones required for the job, and the soft ones to be successful in the organization.

And as a conclusion: *There is always time for Marketing Innovation*

On 2015April 27, 2015, Ernan Roman stated that Heather Smiley (a strong supporter of the US military and their families, being active with the USO and the Wounded Warrior Project), CMO, Retirement and Worksite Insurance at MassMutual (a Fortune 100 financial services company, focusing on helping people secure their future and protect the ones they love through employee benefits at the workplace; MassMutual currently serves 3 million American workers at over 40,000 companies and organizations), addressed (Roman, 2015) the well-known 4 questions (“4 Questions for Marketing Innovators ”): *What is one marketing topic that is most important to you as an innovator? Why is this so important? How will concentrating on this help improve the customer experience? How will concentrating on this help improve the overall effectiveness of marketing?* (Roman, 2015)

Heather Smiley answered that to make MassMutual’s mission a reality, its customers need to be informed and motivated about something that is often out in the distant future or hard to imagine. She underlined that the company needs to be easy to take appropriate action when finding itself in that “motivated moment”, by creating and managing increasingly targeted, personalized and action-oriented messaging across all changing marketing channels. And this is very important because whatever a company can do to enable its customers to take action is a win for both the customer and its business (which is differentiating by a unique and comprehensive employee benefiting experience across human, mobile, social and web formats). On the other hand, by matching images and messaging that fits a customer's age, gender and life stage, a company can help its customers to quickly get guidance and make decisions on critical matters. While by understanding customers and their unique needs before even engage, the company can improve the effectiveness of marketing, ensuring a higher quality faster interaction

with its customers deeper targeted through increased knowledge of their preferences and behaviors, doing more of what works and less of what doesn't.

Two months later, (Roman, 2015) on June 8, 2015, Ernan Roman attracted our attention that most companies make *three deadly assumptions about customers*:

- customers understand everything about company's products;
- company know everything about its customers;
- customers feel company is so special that they will be company's customers forever.

In the opinion of Ernan Roman, assumption and complacency are dangerous things when it comes to company's existing customers, being always necessary searching for ways to meet customer's changing needs and evolving life stage requirements. He recommends:

- to use marketing to educate not just promote, education being the key to consumption;
- to avoid missing critical insights regarding their rapidly changing needs and expectations, by doing deep research with customers and lost (key) accounts;
- to develop multiple points for customer feedback, by providing actionable measures that prove the constantly looking to improve customer experience.

Six days before, on June 2, 2015, the works of the prestigious "*The Marketing Innovators Summit*" (part of the Financial Times Future of Marketing Summit Series) took place, the overall theme of this summit being "Transformational leadership in an evolving digital age".

(live.ft.com) The organizers underlined from the very beginning that *marketing is at the intersection of customer knowledge, delivery and engagement, taking full advantage of the disruptive digital forces*. The inspired and inspirational summit explored *three dimensions of the marketing's seismic evolution*:

- the changing role of the CMO;
- the innovations driving marketing strategies;
- the next-generation tools and techniques that are shaping and enhancing the business-customer relationship across multiple channels.

The attendees were challenged by *significant key findings* such as: traditional marketing methodologies challenged by the neuroscience, psychology and behavioral economics mash-up; to stay effective as a leader today's CMO needs to change about themselves, to harness the power of new technologies, to attract the next generation of talent to build engaging brands and content; the CMO's role, profile, and relationship with the rest of the C-suite is changing fast; there is also a change of perception of the brand image via an integrated communications

approach; brands are reaching and engaging with consumers through the new breed of ‘social talent’; retailers and brands are striving to overcome around how they create intimacy and relationship in a digital world, at the heart of most of these efforts being personalization of digital experience; immediacy, offers and the ease of price comparison are driving consumer behavior towards promiscuity; interception marketing (IM) makes it harder to protect customers from competitive poaching (IM being driven by greater knowledge of consumer location and interests from consumers’ mobile and online activity); retailers can refocus their customers away from price as the paramount buying factor (taking also into account that customers overwhelmed by a lack of time and too much choice); we all are in the evolving intersection of marketing, technology and management.

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