

Applying Customer-Centered Marketing to Grow Your Organization

Stephen Luce
Contractor, Senior Marketing Specialist
National Center for Health Marketing
Centers for Disease Control and Prevention

April 28, 2008 / Slide 1



Applying Customer-Centered Marketing to Grow Your Organization

- Learning Objectives
 - Understand and utilize an essential customer-centered marketing framework
 - Apply audience segmentation strategies for recruitment and retention programs;
 - Differentiate and create value for existing members and new member prospects;
 - Evaluate effectiveness of marketing strategy and activities

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Applying Customer-Centered Marketing to Grow Your Organization

Format for today's presentation

- 1) Oral Presentation
- 2) Individual Exercises (n=4)
- 3) Group setting (3 teams of 5-6 people)
- 4) Break from 10:30-10:45am
- 5) Starter for your discussion to bring back to your organization

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What is Marketing?

Marketing is the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large.

- American Marketing Association

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What is Health Marketing?

An organizational function and a set of scientific processes for creating, communicating, and delivering value to customers and for managing customer relationships in ways that protect and promote the health of diverse populations.

(A multi-disciplinary area of practice that integrates public health and marketing.)

- National Center for Health Marketing, Centers for Disease Control and Prevention

April 28, 2008 / Slide 5



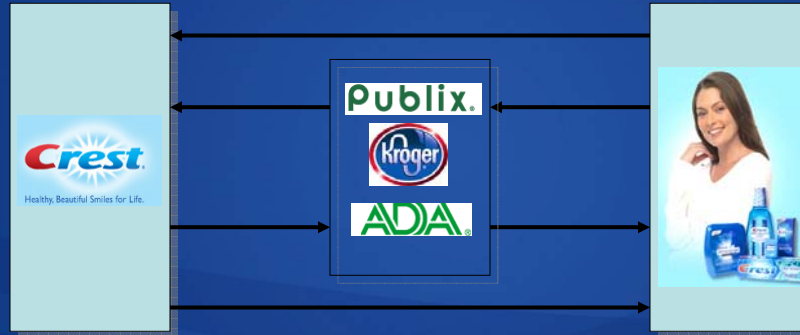
Commercial Marketing Model



April 28, 2008 / Slide 6



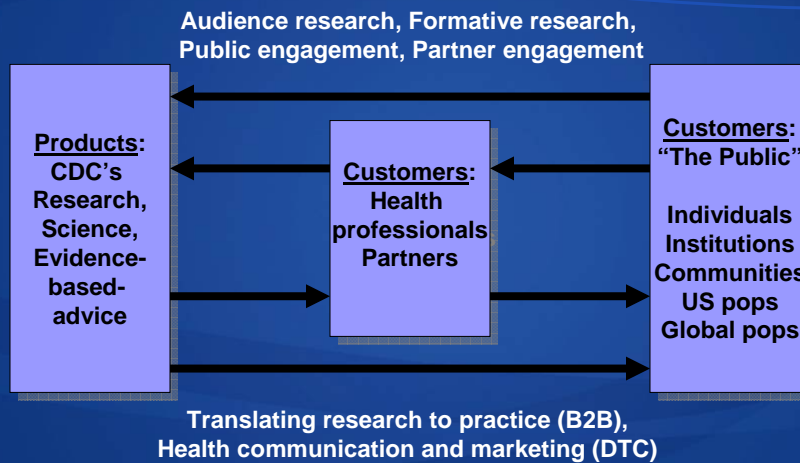
Marketing Example



April 28, 2008 / Slide 7



Health Marketing Model



April 28, 2008 / Slide 8



Customer-centered Marketing

- What does it mean?
 - Understand problems (needs/wants)
 - Create solutions to solve problems
 - Communicate the solutions
 - Deliver the solutions
 - Evaluate the solutions

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Market Management Process

- Market analysis
- Market planning
- Market implementation
- Market control

April 28, 2008 / Slide 10



Market Analysis

- Market analysis
 - Collect and analyze data
 - Inform your marketing strategy and activities
 - Core function to your business, not just marketing
- Tools
 - Situation Analysis
 - External, Internal
 - SWOT
 - Strengths and Weaknesses (Internal)
 - Opportunities and Threats (External)

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Situational Analysis

- Situational Analysis
 - Macro-Environmental Factors
 - PEST – Political, Economic, Social, Technology
 - Geographic, Natural
 - Others?

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Situational Analysis

- Micro-environment
 - Funding sources and management
 - Media
 - Government (policy, regulatory)
 - Citizen-action
 - Local/community
 - Customers
 - Internal (anyone inside the organization)
 - Partners (supplier / marketing intermediaries)
 - Competitors

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Competitors

- Direct competitors
 - Those who offer products and services in your category (public health) such as other organizations, academic institutions
- Substitutes
 - Products not in your category – for example: Internet search engines, health care providers
- Any alternative
 - Parental responsibilities, gas prices, hobbies

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SWOT

- Strengths
 - Internal: What do you do well?
- Weaknesses
 - Internal: What don't you do well?
- Opportunities
 - External: What are opportunities in the “marketplace”?
- Threats
 - External: What are the barriers to my success in the “marketplace”?

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Exercise (15 min)

- Instructions
 1. Identify 2 Macro environmental factors
 2. Identify 2 Micro environmental factors
 3. Identify 1 direct competitor, 1 substitute competitor and 1 alternative competitor
 4. SWOT
 1. Pick two things you do well
 2. Pick two things you don't do well
 3. Pick two opportunities in your marketplace
 4. Pick two barriers (current or potential) in your marketplace

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Market Planning

- Market Strategy
 - Audience segmentation
 - Target marketing
 - Brand Positioning
 - Marketing mix (Marketing P's)

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Audience Segmentation

- Segmentation divides a market into distinct groups of consumers who have distinct needs, wants, characteristics or behaviors and who might require separate products, programs or interventions.
 - Demographic
 - Geographic
 - Psychographic
 - Behavioral

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Audience Segmentation

- Why segment?
 - Each segment may have different needs
 - Each segment may have different level of responsiveness
 - Each segment may require different level of investment to market to

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Audience Segmentation

- Benefits of Segmentation
 - Your message will resonate
 - People process messages differently
 - Your message will reach
 - People use different communication tools to receive messages
 - Make decisions on where to focus financial and human resources

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Audience Segmentation

- Benefits of Segmentation
 - Allows you to grab the reality of your market opportunity
 - True market size
 - Your customers' habits
 - Who are your competitors?
 - Allows you to FOCUS!!!

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Audience Segmentation

- Who is your audience today?
 - Everyone
 - Public health professionals?
 - NOT SEGMENTED!

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Audience Segmentation

- Who is your audience tomorrow?
 - Demographic
 - Younger members? Older members?
 - Policy people? Health educators? Epidemiologists?
 - Geographic
 - City? Rural?
 - Psychographic
 - Leaders? Silent types?
 - Behavioral
 - Frequent users of services? Loyal to the organization?

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Exercise (10 min)

- Identify as many audience segments as possible in 10 minutes
- Consider the segmentation strategies (*demographic, geographic, psychographic, behavioral*)
- Consider the reasons to segment (*needs, responsiveness and investment*)

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Target Marketing

- Evaluate various segments
- Decide which to pursue
 - Size, Accessibility, Responsiveness
- Align segments with business goals
- 4 Primary Target Market Strategies
 - Mass Marketing
 - Segmented Marketing
 - Niche Marketing
 - Micromarketing

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Target Marketing

- Ask yourself this question:
 - Given what I know about the marketplace, my competitors and my organization (Situational Analysis, SWOT), do I have the capability to solve problems and provide solutions for any segments of the marketplace that I have identified (Audience Segmentation)?
 - Is the solution valuable? Is it unique?

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Problem Identification

- Draw from market analysis work
- Get out of the office!
- Don't always listen to colleagues (even the boss!)
- Put yourself in the consumers' mind
- Understand the problems
 - Probe! Probe some more!
- List the problems

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Solution Identification

- Articulate those problems that you CAN solve and forget about the ones that you CAN'T
- Group them together based on similar characteristics
- Create the solution(s) for those group of problems

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Brand Positioning

- *Brand Position* is the place an organization, brand, product or service, occupies relative to competitors in consumers' minds, real or perceived.
- Marketers want a unique market position for a product or service; otherwise, consumers would have no reason to use the product or service.

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Characteristics of a Brand

"Companies own trademarks which are registered in various countries around the world, but they don't own their brands. Their brands are owned by consumers because a brand is only something that exists inside the mind of the consumer."

-Al Ries and Laura Ries

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Characteristics of a Brand

- Exists only in the mind of the customer – not the company!
- Typically summed up in a few words or symbols
- A single thought of accumulated experiences and associations
- Communicates a promise
- Differentiates from alternative choices
- Represents values, idea and personality
- ***Establishes trust and simplifies buying and using the product or service***
- ***Brands drive purchase decisions!!***

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Benefits of a Great Brand

- Strong positioning
- Clear differentiation
- Positive perception
- Greater loyalty
- Less vulnerability
- Increased effectiveness of marketing and communications

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Why Branding?

- Branding is simply a more efficient way to sell things
- Supports business strategy
- The emotional bridge between your marketing mix and your customer

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Why Branding?

“If this business were split up, I would give you the land and brick and mortar, and I would keep the brands and trademarks, and I would fare better than you.”

– John Steward, co-founder of Quaker Oats®



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Brand Positioning

1. How does the organization define its business?
2. How is the organization/product special?
3. What benefit does the brand deliver to customers?

Tool: Positioning Statement

Provides the underlying platform for brand communications, reflecting the brand's value proposition.

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Brand Positioning

- Brand Positioning uses customer language
- Makes us communicate at the customer level
- Facilitates communication within the organization
- Unique Value Proposition or Brand Promise
 - Tell people why they want to do business with you!
 - Unique Selling Proposition (USP), “Elevator Pitch”, etc.
 - Key Differentiator(s)
 - Value, Cost, Benefits
- Benefits and messages flow from positioning

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Brand Positioning

- Approach
 - Identify your advantages
 - Choose the right advantages to communicate and deliver
 - Select an overall positioning strategy
- Positioning strategies (examples):
 - Build upon your present strengths
 - Search for a niche
 - Reposition the competition

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Brand Positioning

- Create a Positioning Statement
 - To (target segment) our (organization) is (concept) that (differentiator)
 - *Example:* For public health educators, (State)PHA is a public health services organization that offers a full array of health education tools and techniques
 - You can have a positioning document for each target market

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Brand Positioning – Check

- What problems does you solve?
- What value do you provide?
- What about your value is unique?
- What is the single overriding benefit?

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Exercise (10 min)

- Create your positioning statement

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Marketing Mix: (Marketing P's)

- The Definition:
 - Controllable
 - Strategic and Tactical set of tools and activities
- Quiz: What are the 4 Marketing P's?
 - Product
 - Price
 - Promotion
 - Place
- Bonus: Can you tell me 4 more Marketing P's?
 - People
 - Packaging
 - Partners
 - Policy

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The Marketing P's - Product

- What is Product?
 - Something that is consumed, used
 - Could be a physical product; information product
 - Example: Different Levels of Membership
 - American Express Black, Blue, SkyMiles, etc.
- Is a service also a product?
- Does your product support your positioning?

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The Marketing P's: Price

- What is Price?
 - The cost to obtain the product
 - A monetary factor
 - A non-monetary factor
 - People's time
 - Social pressures
- Price = Cost in Exchange for a Benefit
- Value = Benefit derived from cost
- Does your price support your positioning?

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The Marketing P's - Promotion

- What is Promotion?
 - Activities that communicate benefits of product
 - People confuse promotion with selling
 - People think marketing is promotion
 - Therefore, people think marketing is sales
- Does your promotional strategy support your position?

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The Marketing P's - Promotion

- Promotion components
 - Personal communication
 - Public relations
 - Advertising
 - Events
 - Instructional materials
 - Identity Management

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The Marketing P's - Place

- Place:
 - How you get your product in the hands of your customers
 - Distribution process
 - Marketing Channel
- Place components:
 - Storefront
 - Web site
 - Event
- Does Place support your Positioning?

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The Marketing P's - People

- People
 - Everyone with your organization
 - Front line of customer experience
 - Your brand ambassadors
- People components:
 - Personality
 - Education
 - Experiences
 - Mission-driven
- People at your customer “touch points”
- Do your People support your Positioning?

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The Marketing P's - Partners

- Purpose of partnerships:
 - Reach audiences that you can not reach alone
 - Provide products that you can not provide alone
 - Combine resources to reach a common objective
- Partners:
 - Business partners
 - Marketing partners
 - Development partners
- Do your Partners support your Positioning?

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Exercise (10 min)

- Articulate your product(s)
- Price your products
 - Consider monetary and other “customer costs”

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Market Implementation

- Bad implementations can ruin good strategy!
- What is the Action Plan?
- Good Implementation Framework
 - Identify those programs and activities that will support the strategy
 - What are the actions and tasks that need to occur to support the programs and activities
 - Milestones – (evaluation component)
 - Must have accountability!!
 - Project management
 - Cost, Time, Human Resources

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Marketing Control (Evaluation and Correction)

- Evaluation is often overlooked!
- Good Marketing Evaluation Framework
 - Identify those elements that you want to measure
 - Results, outcomes
 - Measure baselines
 - Collect data (quantitative and qualitative)
 - Analyze the data
 - Look at the gaps between objective and results
 - Adjust accordingly
 - Money, people, reevaluate segment, etc.
 - ROI

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Discussion

Stephen Luce
National Center for Health Marketing

www.cdc.gov/healthmarketing

sluce@cdc.gov
404-498-6399

April 28, 2008 / Slide 52

