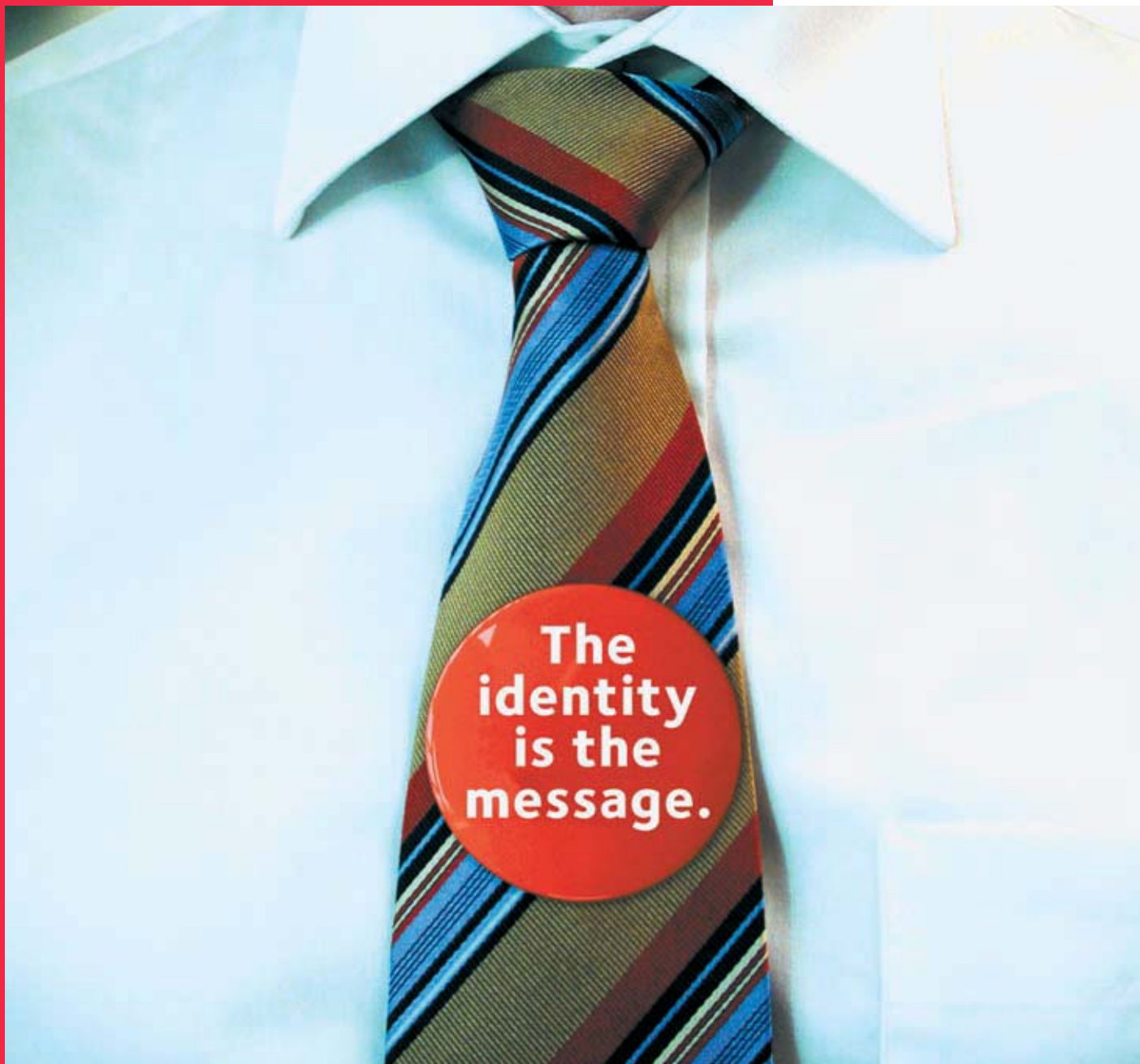

PLEON

Marketing Trend Report 2005



PLEON

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ALL THINGS BEING EQUAL,
THE SIMPLEST EXPLANATION IS MOST LIKELY
TO BE THE RIGHT ONE.

author

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publisher

Pleon Europe

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Welcome to the 2005 Pleon Marketing Trend Report. It is with great pleasure that we present to you this comprehensive summary of the trends which will have the greatest impact upon marketing policy this year. In line with Pleon's vision and mission, the aim of this report is to share the most important and most interesting marketing trends with you. In identifying them, we ask ourselves, "What is happening right now?"

We highlight current developments, not trends on the distant horizon. We look at trends that can be observed already, trends that are important now.

You will notice that these trends do not stand in isolation, they are closely related to one another. That is one of the points we want to emphasise through our report. It is not difficult to shine a torch on dozens of trends. Our goal, however, is to explore a few interrelated ones with X-ray precision. Drawing conclusions that mean something to you, that you can start working with straight away.

The best way to think of these trends is as focal points for marketing in 2005, with an emphasis upon professional innovation. With new models or with "new" ways of applying existing concepts.

Egbert Jan van Bel, Pleon's senior consultant and a director of our business in the Netherlands – in 2004 the award-winning author of the bestseller *Event Driven Marketing*, published by Kluwer – has written a report that invites interaction. Which is exactly what we as Pleon are striving to achieve, because we are at the heart of marketing and communications. We dare to discuss new developments, innovations and trends in the marketing and communications profession.

Finally, I would like to thank all those who have contributed to this second edition of the Pleon Marketing Trend Report. I sincerely hope that it contributes towards the development of your marketing focus in 2005. As a truly European marketing and communications consultancy, we are once again happy to supply that contribution.

Enjoy the report!

Alex Schoep

President, Pleon Europe

FOREWORD.



Strength through collaboration

INTRODUCTION.

For those who believe

It was in the air at every New Year reception this year. People looking at each other a little anxiously, slight frowns on their faces... Time and again the key question of 2005 was put: would this be the year of economic recovery? Doubts all round.

The picture was very different just a year ago. A few days into 2004, the business community felt that the prospects for the coming twelve months were fairly positive. Following the economic nadir half way through 2003, they were in an optimistic mood for 2004. But that confidence in the future ebbed away again during the second half of last year.

According to Statistics Netherlands, spending did increase bit by bit. But manufacturer confidence fell. In itself, that is not so strange. Orders, expressed in terms of months of work, fell back during the last quarter of 2004. Partly as a result of that, one in five entrepreneurs expects to shed staff and only one in twenty-five is planning to recruit new people. Almost a quarter of businesspeople expect higher retail prices, which is bound to dent consumer confidence. Add to that the fact that life is becoming more expensive for many households and that more and more people are experiencing financial problems, and the picture is complete.

In other words, 2004 did not bring the economic growth which people expected. So many entrepreneurs are facing the new year with some misgivings, well-placed or otherwise.

How should you as a marketer deal with that? The answer is based upon a factor which is emotional rather than financial: "confidence". It is the key theme of this trend report.

In this report I address marketers who believe in their work and who appreciate a dialogue with their peers, who are willing to share their views and knowledge in order to make something of their profession. It is for them that I am trying to promote debate by identifying and describing a number of trends that I believe will be important in 2005. These are not established trends, but certain nascent developments in marketing and business which I have perceived and expect to take root this year.

What of 2004's trends?

In the 2004 Pleon Marketing Trend Report, I identified four trends:

- Customer loyalty versus customer retention.
- Market segment-driven versus customer event-driven marketing.
- Action-based versus process-based operations.
- Frivolous versus substantial messages.

These trends were closely tied together, the common thread being: "keep what you have." Or, put in marketing terms, attract and retain customers with specific offers, products and services and without making too much fuss.

We were unable to turn the tide of recession in 2004. Things improved a little, but the situation in many industries remained precarious. Often, the emphasis was upon achieving turnover in the short term. How could you fill the sales pipeline, but in a well-organised way? Typical loyalty programmes featuring such things as customer cards were thin on the ground in 2004. Following the example set by banks and insurance companies, event-driven consumer marketing took off in the energy, telecommunications and retail sectors, and even amongst travel agencies and consumer organisations.

The need to gain greater control of processes was seen clearly in the use of information technology within companies to provide more support and facilities to marketers, salespeople and back offices.

Finally, frivolity is on the wane. Transparency in business is high on the agenda. Creating clarity, seeking customer involvement by revealing your own approach to business, production, partnerships... We can state with confidence that the trends identified in the 2004 report have indeed taken root, resulting in down-to-earth and results-driven business. And most of this year's new trends follow on logically from the old ones. So keep feeding and watering the plants, keep the development going.

The 2005 trends

Strength through collaboration.

As in the previous trend report, I am looking for the common factors in the different trends identified. In his foreword, Pleon Europe's president Alex Schoep has mentioned that I am not out to summarise all kinds of individual trends, however interesting they may be. My aim in this report is to describe related trends. I am not looking for fashionable phenomena but for genuine trends that can steer your marketing vision.

The criterion I use in reporting trends is that they must not lie "beyond the horizon". I want to keep things close at hand, comprehensive and specific. I am interested in those marketing trends which are, or are going to be, relevant this year. In other words, visible and tangible trends. Those which you can actually apply and plan for in your marketing activities – hence "tangible". In selecting them, I have borne in mind that 2005 could be the "year of recovery" for the marketer and the entrepreneur. I hope to provide materials to build your business. With that in mind, I have identified three trends with a significant amount in common.

1. Brand innovation

The power of brand thinking and creativity

How do you stand out from the competition? How are you going to make a difference? The power to create differentiation lies in brand thinking and creativity. What is important is knowing who you are and who you want to be (image), knowing your core values and translating your mission into concrete marketing, sales and other messages. This brand strategy also applies to corporate "spring cleaning": brand clearances, brand mergers and partnership (see Chapter 2).

This first chapter is about being noticed by your target group. Many products are mainstream. Just look at cars, financial services, clothing, the many retail products on the supermarket shelf, package holidays... It seems as if everything is developed using a wind tunnel. With the same looks, the same feel, the same claims... How do you stand out, and when? What is the power of the brand and an eye-catching creation?

2. Alliances

The power of collaboration and forging alliances

Beat them or join them? These days the "join them" option means "alliance management". In other words, creating the right form of collaboration. In this chapter I discuss the many goals which can lie behind this approach.

Most companies still do not have enough cash in their coffers to wage old-fashioned marketing warfare. But by working together they can stay ahead of the competition jointly, achieve economies of scale, innovate more rapidly and bring innovations to market more quickly (this latter

Trend: (n)

- 1 a general direction in which something is developing or changing;
- 2 a fashion.

Source: Compact Oxford English Dictionary.

point is discussed in Chapter 3). Staying at the cutting edge by collaborating in product development. Senseo and Beertender are excellent examples of this. But so too are larger companies that purchase knowledge by taking over smaller ones. Alliances are often the first step in this process.

I believe that 2005 will be the year in which companies seek to build their own strength through partnerships. As the economy begins to pick up a little, people are going to spend more. But businesses will not yet “dare” – read: “want” – to make major investments. The lesson from the past is that you are better off seeking collaboration than assuming all the risk yourself.

Alliances are as old as time. Yet there are new aspects to them, which will be discussed in this chapter.

3. Process innovation

The power of collaborating by closing the gap

This chapter is about bridging the gaps between the marketing, sales, communications, ICT and finance departments. And, above all, those between the commercial departments – because, in a recovering market, they must no longer operate separately (this is a marketing trend report, after all). It is about reaping the rewards faster and more effectively. About striving to achieve shorter and better-planned – but always marketing-driven – sales cycles. In other words, cycles based upon the brand, innovation and alliance trends identified in the two preceding chapters. It is also about harmonising sales and communications, about moving from vague annual plans to specific, comprehensive and practicable quarterly ones. Plans which are results-led and which better integrate media and distribution channels. Last year’s trend of process streamlining and improvement continues. Not just internally, but also with customers and suppliers.

4. Conclusion

The conclusions are obvious:

- Do not enter into external alliances until things are in order internally.
- The best alliances are forged by the strongest brands with the most appealing creativity.
- Creativity sells! Appropriate, appealing design and creativity in both form and content generate higher sales and better margins.

To survive in the environment of intensified competition and to benefit from the recovering economy, you must concentrate upon better positioning (see Chapter 1), strategic growth and operational marketing (see Chapter 2), and improving internal collaboration (see Chapter 3).

The common theme running through all this is “collaboration”. To achieve that, I see brand thinking and eye-catching creativity working hand in hand with smart partnerships and effective internal teamwork. If you succeed in achieving all that, then you have the answer to my original question in your hands. And... big is not always beautiful. But you will read more about that later in this report.

BONUM COMUNE EST
MELIUS QUAM
BONUM UNIUS.

(THE COMMON GOOD IS BETTER
THEN THE INDIVIDUAL GOOD.)

The power of the brand

TREND 1.

Older people have a Nokia, the young ones want a Samsung. But in the world of mobile telephones, the boundary between “young” and “old” lies at the age of 20. Nokia is the brand for business, but the former paper manufacturer from Finland covets the attractive youth market of teenagers who change handset every three months. At the same time Samsung is keen to increase its share of the business market. But Nokia is for dads, i.e. seriously uncool. And Samsung just does not have a businesslike image.

It is design and brand that make the difference. Positioning, profile, core values, core message, identity... They are concepts surrounding every brand.

The trend I have identified for 2005 is that companies are going to profile themselves more and more as brands. With a clear focus, expressed well through the core message, “Who am I really?” I will not go into all the many topics related to brand building, since whole bookcases have already been filled by writings on them. Nor shall I cover again the well-trodden paths of success stories like Nike, Prada, Coca-Cola and Heineken, even though every company – however small – can learn from them.

What I will be looking at in this chapter is how you can perfect your marketing by using brand thinking and eye-catching creative work.

What is a brand?

“A brand is a name, term, sign, symbol or design, or a combination of them, which is intended to identify the goods or services of one seller or group of sellers and to differentiate them from those of competitors.”

Philip Kotler

“A brand exists in people’s minds only. It is a network of associations between elements in the memory.”

Giep Franzen
(former CEO of BBDO Benelux)

“What is a premium brand?
A premium brand has consistent quality.”

The invisible company

Many companies are invisible, even to their own customers, and even more so to the end users of their products and services. Most businesses are just a link in the chain: a good 90 per cent do not supply directly to the end user or consumer. Those companies, the ones which are not at the end of the chain, often have a small and easily defined target group or customer base. They are the business-to-business suppliers. An ordinary Volkswagen Golf Diesel contains more than 30,000 components, originating from over 1,000 suppliers. And more than 500 subcontractors have flocked around Philips in Eindhoven, from one-man businesses to major listed companies.

There is a clear shift discernible here, with the suppliers of successful end products demanding recognition of their own brand. "Intel inside" is the best known example, but certainly not the only one.

I am prepared to bet that you have something containing Thinsulate at home. This insulation material from 3M is found in skiwear, gloves, outdoor sports products and so on. Whether or not these products bear a well-known brand name, it is the Thinsulate label which makes the difference. For me, "These gloves are more expensive but they do contain Thinsulate" has been a good enough argument to buy a dearer product. The fact that the salesman was evasive when I asked him exactly what Thinsulate was is not that strange. But it is a problem for 3M. If, as a component supplier, you decide to make the difference, then the whole chain should know it. Up to and including the shop assistant.

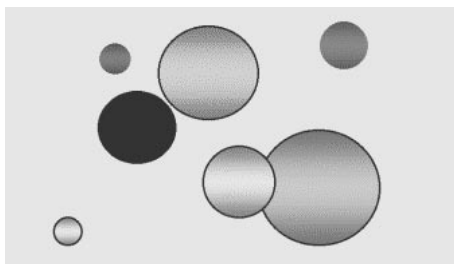
For some time Dell has been selling computers on which the anti-virus program NOD32 is installed as standard. But with competitors McAfee and Norton much stronger brands in this market, little NOD32 should be explaining why it is better. After all, you are not a brand unless people recognise you as such.

You need to be paying attention to the core values of your company and your brand. You must translate them into a clear message. By making a pitch that would work in any elevator. What is your business all about? Try also to present the market value of your company, your brand, clearly and well – not in monetary terms but in those of the role you play in the market and for your client. In other words, state who you are and what you are doing here. It sounds simple, but in fact it is all too difficult.

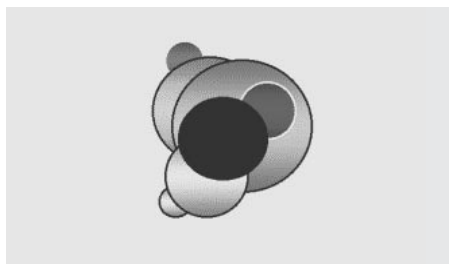


Thinsulate inside

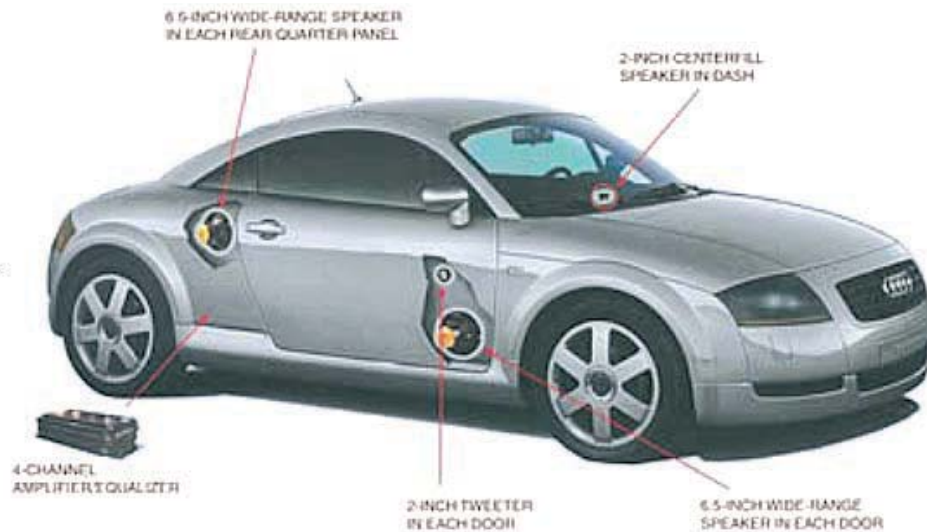
brands, as seen by enterprises



brands as seen by customers



source: Theo Poiesz, Fred van Raaij



Audi TT in perfect alliance with Bose and Recaro

What Is branding?

Branding is the foundation of marketing and is inseparable from business strategy. It is therefore more than putting a label on a fancy product. Nowadays, a corporation, law firm, country, university, museum, hospital, celebrity, and even you in your career, can be considered as a brand.

As such, a brand is a combination of attributes, communicated through a name, or a symbol, that influences a thought-process in the mind of an audience and creates value. As branding is deeply anchored in psychosociology, it takes into account both tangible and intangible attributes, e.g. functional and emotional benefits. Therefore, those attributes compose the beliefs that the brand's audience recalls when they think about the brand in its context.

Coca-Cola, for example, has become a cliché of brand management. Before branding or even management emerged as disciplines, the Atlanta-based company was already spending over US\$11,000 on a mass advertising campaign as early as 1892. Its trademark was officially filed in the US that year and has consistently been displayed with the same script to this day. Over time, it also associated its brand with a bright red colour, the hour-glass shaped bottle (1915) and the ribbon logo (1970). Together these aspects contribute to differentiating Coke from rivals such as Pepsi-Cola, which has applied a competitive pressure since 1898.

Source: www.brandchannel.com

Companies that want to be successful charge their brand with meaning. They explain clearly what exactly it is they give their customer. Akzo and IBM do so at both the overall corporate level and the individual product level. Following in their footsteps, we now see more and more companies making the same choice. One example is the Dutch textile business Ten Cate. It is well known to many people in the Netherlands for its excellent underwear. But these days it is a global concern supplying fibres, sheet products, plastics and fabrics to a whole range of industries. Without Ten Cate, the quality of many aircraft, dams, rockets and ships would suffer. Yet it is almost totally unknown outside the Netherlands. Perhaps it is time to stick labels on all its end products? How about writing "Ten Cate inside" on the tail of the new Airbus 380?

You have certainly heard of KPN Telecom. It markets the anti-virus and anti-spam product MailScan. But that technology is produced by a company called MessageLabs. Did you know that? Probably not. And there are plenty more examples. Just try naming ten manufacturers of components found in your car. Michelin perhaps, and Varta... But who else?

THE CHALLENGE FOR 2005 IS TO MAKE THE INVISIBLE COMPANY VISIBLE.

The overvisible company

If there is one thing worse than being invisible, then it is being too visible. Unfortunately, a lot of brands and missions are still being “made up”. They are not real. In this respect, a lot of communications agencies, PR consultants and media trainers are getting it wrong. Admittedly, an intellectual and impassioned man like Dutch prime minister Jan Peter Balkenende is “selling” his message better and better in technical terms. Stance good, voice good, message good. But it is still all too “studied”, and that simply does not work.

Making incorrect and excessive use of all sorts of well-formulated core messages creates a “fog” that distracts attention from the identity behind them. Yet that is what a business is all about: identity. Who are you? That is what you link your added value to: “What makes us special for you, our client?”

Asked what his business actually does for us, an employee of a water company answered, “A person is made up of 65 per cent water, and that’s the product we supply.”

So that is clear.

IN 2005 IT IS ESSENTIAL TO CUT DOWN THE OVERVISIBLE COMPANY TO HONEST PROPORTIONS.

The famous heart surgeon Dr Christiaan Barnard had little time for an interview with a number of journalists. After fifteen minutes he had to go into his next operation, but on the way he stopped to chat with a hospital cleaner for almost five minutes. “Did Dr Barnard talk to you about cleaning,” asked a journalist afterwards. “No,” said the cleaner, “we talked about saving lives, because that’s what we’re all working to do here.”

THAT IS WHAT IT IS ALL ABOUT: THE “TRUE” IDENTITY OF A BUSINESS. WHY YOU ARE DOING THE THINGS THAT YOU DO?

Three guesses

Which company is behind each of these core messages?

- 1.** We offer our customers safe, cheap and direct flights. We want to supply a consistent and reliable product on a large number of European routes at attractive fares for the business and leisure markets. To achieve this, we train our people well and try to build up lasting relationships with our suppliers.
- 2.** The collections and presentations are our foundation. We are colourful and extrovert. We aim at a wide audience. With the presentations, which are of national and international significance, we hope to amaze and astound visitors and prompt them towards an opinion.
- 3.** [We] enable people and businesses throughout the world to realise their full potential.

1. This seems clear enough: EasyJet.
2. The wonderful Groninger Museum, designed by famous architect Alessandro Mendini.
3. Yes, Microsoft...

The visible company

Business-to-business companies derive their right to exist from the most effective possible development of a position in their own, often small market. The question is whether, in 2005, that is still enough. The “classic positions” are coming under pressure from competition in both price and quality – good enough is good, too – from Eastern Europe and Asia, particularly when it comes to labour-intensive and high-volume products. Ten Cate may invent wonderful fibres, but producing them in the West is expensive. Production, and hence cost price, is very important.

Corporate buyers are increasingly opting for “desired quality” over “best quality”, with price an important factor in that decision. The concept of added value is subject to considerable change. Such platitudes as “We know your business”, “We deliver to order”, “Best technology and innovation” and “Short lines” – the sort of things we still read frequently in brochures and on websites – may be well-intentioned but they are no longer enough. They are not distinctive.

Thinsulate has become so well known that clothing containing it sells better. And because it represents a certain expectation of quality, it can also improve margins. That makes it more difficult for Thinsulate’s competitors to gain market share. Is a PC with “Intel inside” better? There are other good chips available, yet you still feel better with an Intel.

Like many brands in the consumer market, which are often end products, the business-to-business brands are seeking ways to be distinctive. The indirect customers – that is, the users of the end product – have to actually know that product contains something that they may not be able to see but is essential to make it work properly. Thinsulate, for example, goes so far as to label this so as to make the end product – the garment – “brand stronger”.

Communicating with the customer’s customer has become at least as important as communicating with the actual client. Public relations is often the best means of doing this. Advertising does not work as well because the supplier or its product is not easily recognised by the indirect target group.

MESSAGES THAT ARE TOO OUTRAGEOUS AND FANTASTICAL DO NOT WORK.

THE STRONGEST BRAND WINS.

SKODA ADVERTISES ITS USE OF VOLKSWAGEN TECHNOLOGY.

VOLKSWAGEN WOULD NEVER DO THE OPPOSITE.



Adidas gear with GoodYear profile, brilliant alliance!

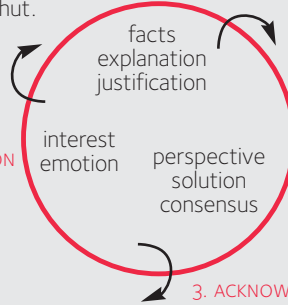
Short core messages

Five rules of thumb

1. If you have nothing to say, keep your mouth shut.
2. You decide what you want to say.
3. You decide when you want to say what.
4. You decide who to say what to.
5. You have something to say.

1. RECOGNITION

2. SELECTION



Core messages (1)

- Core messages are in everyday language.
- Core messages stick to the core.
- Core messages have an average of seven sentences (one paragraph on paper).
- Core messages take no more than about 30 seconds.
- Core messages are a mini-story, built around one idea.
- Core messages preclude multiple interpretations. They are unambiguous.
- Core messages "complete the circle".

Example: FlexBel

FlexBel makes the mobile telephone available to all. We supply a 3G (UMTS) handset for just €99. The telephone and subscription are available everywhere, thanks to an extensive retail network.

A new subscriber can make calls as soon as they leave the shop. Both the subscription costs and the call charges are the lowest in the Netherlands. FlexBel turns the mobile telephone into an everyday convenience. Within five years we expect every household to be using the mobile network for all its regular telephone calls.

1. Significance/emotion:

FlexBel makes the mobile telephone available to all.

2. Facts/explanation/justification

We supply a 3G (UMTS) handset for just €99. The telephone and subscription are available everywhere, thanks to an extensive retail network. A new subscriber can make calls as soon as they leave the shop. Both the subscription costs and the call charges are the lowest in the Netherlands.

3. Perspective/solution/consensus

FlexBel turns the mobile telephone into an everyday convenience. Within five years we expect every household to be using the mobile network for all its regular telephone calls.

source: Pleon

The conspicuous company

Creativity. Design. Prominence. Distinctiveness. Form and content are increasingly going hand in hand. Producing an honest message about a company and its product is all well and good, but it is no longer enough to convince the client. This applies to the consumer, and to an increasing extent also to the business market. One great example of a perfect balance between form and content is Apple with its iMac and new MiniMac.

Advertising alone is no longer the best way to dynamise brands.

That has not escaped Jean-Noël Kapferer, a well-known French professor of marketing.

"It is a fact that all brands now think about design. Not just those that want to be associated with it, like Ikea, B&O and Habitat." Those brands which have increased the most in value this year – Apple (24 per cent) and Samsung (16 per cent) – grew, he says, thanks to design. "We have to take design seriously because Asia is taking it seriously. Otherwise we will lose out twice over, on price and on design."

source: Het Financieele Dagblad, Richard Smit, Dec 22 2004

Companies are rejecting the mass-media approach and instead communicating more and more personally. That is being done by offering more products, for smaller markets. Many businesses are seeking out niches. On the one hand this is because niche products can generate higher margins, but on the other it is because it is a good response to those competitors which are still taking the mass-media, "one size fits all" approach. But even in niche markets it is essential that you stand out. That can be achieved through design, as in the case of the Citroën C3 Pluriel. It can also be done by charging the brand with specific qualities. Volvo, for example, has produced a car built entirely by women. It remains a prototype for the time being, but it is already giving Volvo a certain cachet as a premium brand. Nor is it such a crazy idea when you consider that women are responsible for six out of ten decisions to buy a particular car.



brand alliances in 'tripartite':
Oral-B, Disney and Duracell



Acer Computer with Ferrari branding

Many people associate their opinion of a product with its design. Good design, they believe, means a better product. This makes design the perfect answer to the discounters, as well as making a brand stand out from competitors with comparable products. With the following results:

- You can charge more – and so earn more – from products with the right design.
- You can arm yourself better against discounters.
- You can make the difference: people consciously choose your product.

Design and creativity attack on three fronts: product design, message and packaging. None of these can stand on its own if your aim is to achieve rapid growth and to benefit from economic recovery.

The... is the message

State clearly who you are, and use clear and distinctive design to show who you are and who you want to be. Admittedly, for a producer of industrial pumps their design is strongly related to their function. But you should also be considering design in terms of the formulation and packaging of your core message. It is all about your own presentation and representation in your market and, if not supplying an end product, in your customers' markets. To update Marshall McLuhan's famous adage: the medium is not the message, your identity is.



Two market leaders together in a marriage, picture tells a thousands words

Problem brand

In marketing circles, distinctive positioning is held to be the key to success. Which makes it all the more strange that the current price war on the supermarket shelves is being waged with own brands in the front line. Expensive brand names and research departments are playing no part at all. But if it says Euroshopper or Jumbo or C1000 on the label, then it sells like hot cakes. Supermarket chain Albert Heijn is even pushing customers to buy its own brands by only giving Air Miles on them, whilst Unilever partly based its recent profit warning on the increasing competition from discounters. The premium brand seems to have become a problem brand.



Philips has turned forging brand alliances into a real art:

- The “perfect” iron in partnership with Robijn fabric softener.
- The Coolskin electric shaver in partnership with Nivea.
- A great line of “portable sports audio” products in partnership with Nike.
- And, last but not least, a coffee machine in partnership with Sara Lee.

ANYONE WHO STILL BELIEVES THAT PHILIPS HAS NO UNDERSTANDING OF MARKETING SHOULD THINK AGAIN NOW.

“Who pays for advertising?
Let me think... The mayor?!”

Miche, aged 7, in a survey on the impact of advertising on children.

Wessanen – now healthy, tasty and authentic

Royal Wessanen, the originally Dutch foodstuffs multinational, wants to be a leader in “branded authentic health” and “premium taste” foods in Europe and North America. This mission statement is the result of a reorganisation programme, code-named Phoenix, which is revealed to the outside world this year. It is designed to transform Wessanen from a financial holding company “with a patchwork of activities and poorly maintained brands” into an organised consumer goods and distribution business. Seven brands have been given key roles in the new strategy, including Beckers and Zonnatura in the Netherlands.

The power of alliances

It must be more or less the second-oldest human activity: working together. Or, to put it in modern business language, alliance management. Nobody can do things on their own any more. From the very moment that man stood up and began throwing stone-tipped spears, we had to forge alliances. That came out of the pure need to survive, but it was also a source of murder and death. In that respect, little has changed in modern alliance management. Dr Anton Dreesmann, at the time chairman of the Vendex concern, said that collaboration was a weakness but also a necessary evil. A weakness because you should be able to do things on your own; a necessary evil because you cannot survive without it. Every company needs partners, but it runs the risk of being tied to that chain of other businesses. The problems begin as soon as somebody starts pulling on the chain. That can be through applying economic forces, by making new price agreements, with innovation, by appointing a new boss or by making any number of other moves. Any change, however small, can have a huge impact upon the collaboration. Which is what makes forging and maintaining alliances so sensitive.

It sometimes seems as if we are all blinded by the latest alliance success stories, like Senseo (Philips and Sara Lee) and Beertender (Heineken and Krups). But the failures are far more common. We could have given all the nations of the Third World a comfortable life with the money wasted on them. We only have to look at the history of the former pride of the Netherlands, national airline KLM... The notion of the strategic alliance may be decades old, but for some unknown reason it is still difficult to find a well-defined strategy in the formation of many alliances. In most cases they are ad-hoc relationships which are unsuccessful and soon disappear. Opportunism reigns supreme. But in good alliances the strategy focuses upon putting the clients' needs first.

"If the capacity to collaborate is not already a core competence, you'd better get busy making it so."

Gary Hamel & Yves Doz

TREND 2.

Alliance: (n)

The union of two thieves who have their hands so deeply inserted in each other's pockets that they cannot separately plunder a third."

Ambrose Bierce -
The Devil's Dictionary



Craze

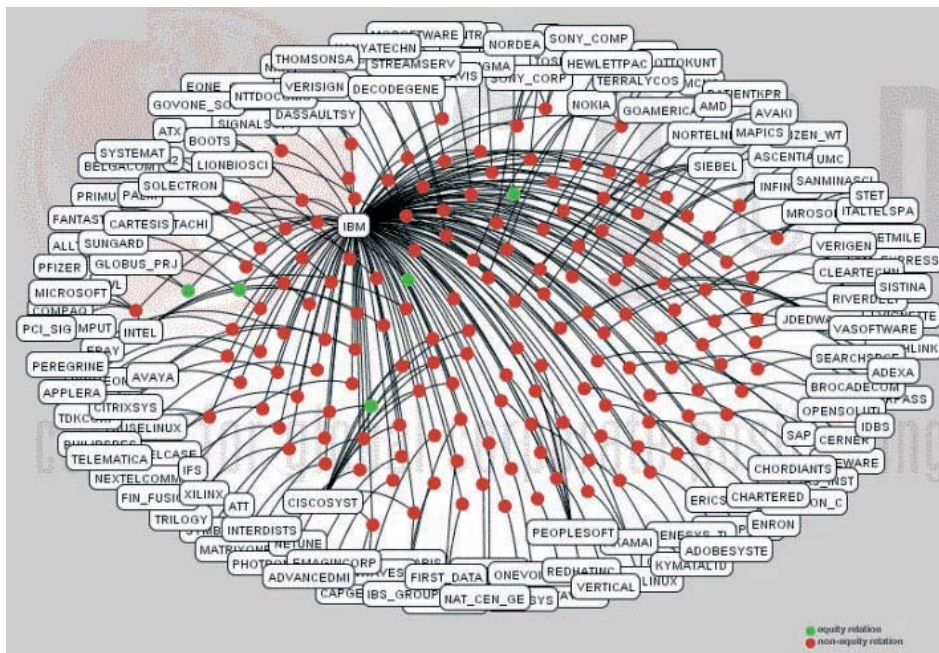
Alliance management is going to be the new craze. The marketing parrots have discovered the term and are already making the most of it. "We are going to be the Senseo of..." Just insert your own sector: the industrial pumps industry, mayonnaise thickeners (E412), European RFID vendors – you name it.

In itself, it is logical that alliance management is attracting a lot of attention at the moment. The economy is recovering slowly, more money is being spent and more is going to be invested.

But many managers have learned their lesson in recent years. They have not forgotten the hot-air balloons of e-business and the stock-market bubble. The wounds may have healed, but the scars remain. No, we are not going to throw any more money into bottomless pits. Investing, exploring, grabbing chances carefully... They are all things that you now do with partners.

PREMIUM BRANDS DO BUSINESS WITH PREMIUM BRANDS.
 AND STANDARD BRANDS?
 THEY DO BUSINESS WITH ECONOMY BRANDS.

IBM: 139 companies and 157 alliances



Source: prof. dr. Ard-Pieter de Man

Equals, or those who want to be equals, are seeking each other out. Often for different reasons and with different goals. These days, "collaboration" means finding a balance between a number of starting points. Sharing knowledge is often one of the main reasons for sitting down together. Knowledge should accelerate the conquest of markets. People attempt to combine one another's knowledge of marketing, of markets and products, of research and development, of technology. This also generates gains in terms of efficiency: economies of scale, the use of one another's internal tools and manpower. Sometimes even small-scale partnerships – sharing offices, people and media – can save many hundreds of thousands of euros in costs. Sharing markets – that is, clients – is one of the main underlying principles of alliance management, aimed at gaining market share faster.

In the absolute sense, speed is an important motivation for working together. In 2005, speed is the name of the game. Clients, too, want more speed, so we are witnessing a trend towards them demanding complete products and services: "tailored solutions" which force you to collaborate.

One striking detail is that neither Senseo nor Beertender was developed in response to market demand, but instead after a taking a close look at market needs. In other words, from a marketing perspective – and a very American approach to it. On that point, Europe and North America still differ somewhat.

Costs or benefits?

I recently saw the results of a survey by Genesys Telecommunications Laboratories in Huizen, the Netherlands. Although I do not want to go into them too deeply, what struck me was that Americans focus their efforts on benefits. Whereas European companies look more internally, at what efficiency gains can be made. And often confuse that with cutting costs. Two totally different starting points. Of course efficiency is important these days. But we must not forget that now is the time to be winning market share. So the internal battle should be about costs and benefits. Are we going to save? Or are we going to win? Which, in my view, means focusing upon the growth model. Americans often enter into partnerships in order to meet the client's needs better.

This is not about a special request or wish on the client's part, but about their specific needs. Which, all too often, are created for them: had you ever heard anyone wish for a Beertender before it was launched? That is pure marketing.

In general, a client does not ask for much. Because they generally do not know much. It is up to you to monitor the client in such a way that their needs become clear, so that you can respond effectively with new products and services, new applications and hence relevant partnerships.

In this period of economic recovery and increasing investment, alliances are a good way of grabbing a slice of the cake quickly. When considering collaboration, the discussion often centres on that familiar issue, "Beat them or join them?" Not an alliance, but a merger or a takeover. But whilst mergers and takeover may be "sexy" and make for positive PR, they are also dangerous. The problem is that they often take up a lot of time, first to reach the merger or takeover stage, and then because the post-merger integration frequently takes longer than people expect. The majority of mergers fail. And even more merger talks break down or reach an insurmountable stalemate. Many volumes have been written about why that is, so I will not go into it in any great detail here. What is certain is that piles of money are wasted on writing off goodwill. During recent takeovers within the top 25 Dutch companies alone, that amount has topped €12 billion (see Jagersma's "hard lessons" in this chapter). In Jagersma's view, the "control issue" which has turned collaboration into a veritable graveyard of reputations is vitally important. In many respects, collaboration provides the ideal stage for a power struggle. Huge individual egos having to work together, major interests that generally change over time, inherent instability, differences in company and national culture, the evolving objectives of the "parent" organisations, and so on. Who is the boss?

Four hard lessons from failed strategic alliances

Managing alliance negotiations is a skill in its own right:

- 1.** Cultural differences should be addressed maturely.
Frictions at the level of national, company and personal culture often cause problems. The reason: the negotiators generally represent a culture very different from that in the rest of the company.
- 2.** Strategic alliances generally go “a bridge too far.”
Forging alliances has been popular for the past five years or so. The label “strategic alliance” sounds good, but managers often do not consider the complexity of such a collaboration.
- 3.** The impressive benefits foreseen on paper are rarely achieved in practice.
Many managers enjoy “visibility”, and as a consequence behave like a bull in a china shop. The result: a lot of noise (read: publicity) and, above all, a lot of breakages (read: stalled alliance negotiations). It is far better to heed the Chinese proverb, “He who steps softly goes far.”
- 4.** The negotiating period should not last too long.
The talks on any alliance, strategic or otherwise, always take a long time, often longer than is strictly necessary. The result: a lot of talk with not much said, time and time again. Eventually, all those involved have to be won over.

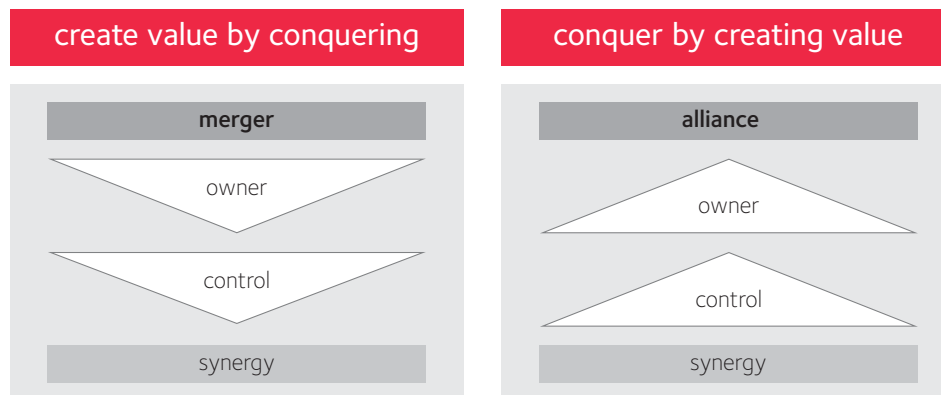
Courtship or marriage?

Alliances versus mergers

- Alliances: five out of ten succeed.
- Mergers: two out of ten succeed.

As a rule, alliances are more likely to succeed – and succeed quickly – than mergers. And, compared with a merger, the losses involved in a failed alliance are limited. No takeover capital is needed, and you can split up more easily. In that respect, courtship is better than marriage. Moreover, to continue the analogy, it is easier to make a baby than to raise a child. But an alliance founded purely on “lust” (see many a press release) can turn surprisingly quickly into an “abusive” relationship.

Time savings are another reason why alliances are gaining in popularity. They can help achieve a better time to market. But the main factor behind the sharp fall in the number of mergers and takeovers, compared with a growing number of alliances, is that it is becoming clear to the marketer that you can achieve synergy just by working together. Taking over is unnecessary. You do not always need full control in order to do business better. What is really required is the mutual harmonisation of realistic goals by introducing regular measuring points. In marketing, then, I see the opportunities lying mainly in finding parties which can strengthen your brand in your market based upon the existing brand positioning.



source: BTG Huizen, Hendrik Jan Zandbergen

What is a network organisation?

It is an explicit or implicit alliance characterised by semi-stable relationships between autonomous organisations. By making use of one another’s core skills and specific positioning, added value is created for the combined customers.

There is usually one organisation within the network which supplies the most important product or maintains the strongest relationship with the market. It is the core of the network. Mergers and takeovers can also create a network organisation, depending upon the agreements reached. What is essential is the flexibility in the alliance between autonomous organisations with their own core skills and specific positioning.

Brand alliances

Increasingly, brands are seeking each other out in their efforts to persuade the consumer to buy. These alliances range from collaborating in advertising, short-term promotions and events to the creation of entirely new products. The growing interest in brand alliances does not stand in isolation. After all, competition is intense and many markets are at an advanced stage in their lifecycle. In such alliances, brand managers seem to have found an answer to the question of how they can again provide the consumer with added value.

So why is it that brands are working together more and more, and not always in obvious partnerships? Take Nestlé and L'Oréal, for example. Nestlé's aim is to produce healthy food, not just for inside our bodies but also for our skin. And who is the global market leader in skincare? You guessed it: L'Oréal. It sells products that give you a healthy and beautiful skin. Now Nestlé and L'Oréal are claiming jointly what they already offered individually: "healthy skin". But in a strengthened combination. Together, Nestlé and L'Oréal have brought new identity into the marketplace.

Is this new, lateral approach to brands and alliances going to change the way in which we build brands? It is beginning to look that way. Brands are no longer the property of one organisation, but rather they live by the power of collaboration. The brand alliance.

Brand alliances are not just about standing out from the competition. They go much further. If the collaborating brands are a good match, strong synergy develops and that can make a significant contribution to growth and profitability. Particularly when it is coupled with eye-catching design and creativity (see Chapter 1).

Brand alliances are going to be forged at every level. But the shift in the competitive battleground is particularly going to affect the most prominent and market-oriented alliances. The ability to provide a time benefit, a more complete package or a product that can better meet the client's needs – which are not the same as their demands, wishes or requirements – is going to make the difference between success and failure. Smaller companies can learn from bigger ones, and business-to-business firms from the business-to-consumer sector. Ultimately, it will not be size that matters but having the best partnership.

The power of internal collaboration

TREND 3.

If there is one predominant trend in 2005, it is the prioritisation of “improved internal collaboration” within companies. And not just generally, but specifically as an effort by management to make the sales and marketing departments work together more effectively. There are two main reasons for this.

Speed is needed because margins have collapsed. To recoup your costs, you are going to have to accelerate sales. And collaboration between the marketing and sales department is essential to that.

Speed is also of the essence because of the risk that the competition will up the pace. Quite simply, you have to stay ahead of your competitor. The investment euro can only be spent once and there is no cash to play with. People have become sparing and careful with their money. So there is little slack in the system to wait for orders to start coming in.

One obstacle to this process is the fact that the agendas of marketers and salespeople tend to be out of step. All too often we see differences in objectives, approach and the prioritisation of particular issues. Everybody is fighting for “their own thing”. That just should not be happening nowadays.

Closing the gap...?

“I see only more distance from other departments opening up, because the economic recession is making departmental targets tougher and more individual. Moreover, there are a lot of cuts or staff not being replaced. That leaves us asking more of one another but being able to deliver less, which is more likely to result in dissatisfaction and even wider gaps than in closer collaboration.”

Ed Sander, Failsafe

Down with the bridge, long live land reclamation

The “bridge” is a widely used metaphor. “We have to build a bridge between... and...!” Just insert the names of any two business units of your choice. What is meant by this is bringing them together, making them collaborate better. But building a bridge alone is not enough to achieve collaboration. Moreover, bridges are easily demolished, raised or blocked.

“Land reclamation” is a far better metaphor. Build a dyke around all the islands within the company and integrate them properly by draining the land between them. The ultimate “polder model” for business. With every unit directly adjacent to the others, collaboration becomes essential. This situation creates the conditions for far-reaching integration of the marketing, communications and sales departments: common aims, values, approach and timing. In other words, position marketing and sales right next to one another. Particularly in companies oriented more towards business-to-business activities, we frequently still see these departments working too much in isolation. With different agendas, objectives, target groups, ways of treating clients, communications and methods of “selling” the company in the marketplace. Too often we hear it said that, “Marketing devises offers and campaigns, but Sales does not follow them through”. Followed by all sorts of reasons why they can never work together. One important and widespread cause is a lack of mutual coordination. There is no dialogue to harmonise aims and timing. This only fosters the “not invented here” syndrome. One side is not eating what the other cooks.

Yet it is not difficult to create an interdepartmental dialogue. Just meet and try to draw up a joint list of problems, questions and ways of helping one another to address them. Often, however, marketing and sales are not structurally close to one another. In that case, some direction from above is a good idea. This should focus upon encouraging the two sides to agree their priorities, their approach to the market and their timing. Go out in the countryside and you will still find plenty of companies which have found an isolated hut in which to bring together departments to talk. But it often stops there. It is all too ad hoc.

The key to successful collaboration is defining a strategy that can be translated into a permanent “cadence” for action. How do we enter the market? What campaigns are we going to run, and when? Who is going to take the lead, who is responsible and how do we help each other? It is working together in this way on a regular basis which ensures that the results of collaboration continue to improve. Teams get used to each other and learn from one another about the process and the method of collaboration. Were the collaboration and the market approach good? Can we analyse the results? Have the objectives been achieved? Why? And why not?

TEST

Do the people in your company know what it is all about?

Try this test!

Ask your marketing manager to write down your company’s core message and let sales assess the result.

Call your salespeople after ten at night and ask them what the company is all about and what we are doing with it. Or approach it from the other direction. Can your marketing manager name your firm’s five most important and most profitable clients at midnight?

Do we understand each other?

Most marketing people have too simple a picture of their organisation's sales model in their head. Sales is more than just calls and orders. Marketers need to appreciate the steps in the sales process. The more complicated the product, the service or the market, the more complicated the sales model. So-called "consulting selling", in particular, is a very difficult process. Never mind the fact that marketing and communications managers can support it with resources and planned sales routes.

It is essential, therefore, that marketers understand the work of and the problems facing sales and they can make strategic and resource decisions in response to them.

The question now is whether or not marketing is subservient to sales. Either way, the fact is that it is sales which actually generates the turnover. As long as the marketer remembers that, any dialogue with sales will be motivated.

Although I am not in favour of sales dictating how marketing should be organised, this is often a good starting point for a debate about improving collaboration between them. Let sales do the talking... Particularly in these times of acceleration and "seizing" orders, sales deserves to be given greater control over strategy and resources. The marketer can also ask sales how it wants things and so initiate a dialogue about achieving solutions together. Just as long as there is a dialogue.

The traditional marketing mix does not actually include any tools that focus specifically upon the organisation and implementation of marketing policy. "Implementation" is a word that for a long time did not appear in marketing textbooks, and the organisation of the marketing department was usually relegated to the final chapter. For example, for a long time Kotler's famous marketing work was subtitled simply "Analysis, planning and control". Only much later was "implementation" added. And even in the most recent edition, only about one-and-a-half of the more than 700 pages are actually devoted to implementation. Does this mean that the implementation of marketing plans is not important? Is marketing just a paper tiger? It is in this way that marketing isolates itself. From the rest of the business, and perhaps even from the market in which the marketer should, by definition, occupy a strong position.

**SALESPEOPLE ARE OFTEN "DOERS", AND THEY PROFILE THEMSELVES AS SUCH.
YET THE VERY BEST SALESPEOPLE ARE MORE "THINKERS" THAN "DOERS".**

Today's loss-making companies are those which continue to work in an ad-hoc way. They generally confine the sales process to an operational level, as a result of which possibly scarce resources are wasted on opportunities that later turn out not to be opportunities at all.

The successful companies of 2005 will be those which raise sales to a higher plane. Those which know how to translate the core messages they have defined (see Chapter 1) into sales resources and pitches.

WHY DO SALESPEOPLE OFTEN HAVE SO FEW MEETINGS IN THEIR DIARIES? FEWER VISITS TO CLIENTS MEAN LESS NEW BUSINESS. IT SOMETIMES SEEMS AS IF SALESPEOPLE DO EVERYTHING EXCEPT ACTUALLY SELL...

According to Darwin, the species which is best adapted to its environment has the greatest chance of survival. In the notion of survival of the fittest, "the fittest" should not be interpreted as "the strongest" or "the healthiest" but "the best adapted". Companies often operate in an extremely dynamic environment. The better they are adapted to that environment – or, even more to the point, the better they are able to adapt to it – the greater their chance of survival in the long term. The only constant is change. Nokia changed from a tree-felling paper manufacturer into the market leader in mobile telephones. In just five years, IBM changed from a PC vendor into a software supplier. The ability to adapt, therefore, should be a universal core skill for those who want to win.

The power to adapt lies in the strength of the agreements between marketing and sales. Marketing defines the strategy of adaptation, sales carries it out in day-to-day practice. That practice "drives" how and when adaptation takes place.

Marketing is too important to be left to marketers

Marketing people are really good at drawing up marketing policies. They do that alone or in groups, based upon piles of data about markets, competitors and purchasing behaviour. But they are highly dependent upon others to put that policy into practice. The R&D department for product development, the service department for after-sales care, the production department for quality and on-time delivery, the sales department for securing transactions, and so on. This interdependence is known as integrated marketing: each department contributes to a company's overall performance in the marketplace, in relation to its clients. This idea is not new, of course. As the saying goes, "Every employee is a marketer." But that does not mean all those activities are coordinated. Nor does it give every employee a feel for customer-orientation, never mind knowledge and experience of it. This is why more and more attention is being paid in the literature to what is called "internal marketing": the efforts directed by marketing people towards other departments and staff to make sure that marketing plans are actually put into practice. A difficult task, especially when you consider that marketers are often part of an administrative department – a cost centre, budget spenders – and so have only limited power and influence. Although, of course, that depends upon the specific company situation. Our impression, however, is that administrative marketing departments tend to have surrendered influence and that they are concentrating less upon implementation and more upon "true" marketing issues such as market research, communications and CRM.

Strategy is not an automatic process

What are the objectives of a company, what do you actually want to achieve?

If the goals are not clear to us, it is impossible to select from the many “fits” available. Without a destination, every course is the right one. In other words, if you have no goals it does not matter what strategy you choose. After all, it is objectives that tell you what you want to achieve. The strategy is only the means of getting there.

Marketing is often too concerned with strategy. Sales stares blindly at the operational issues and short-term targets. Which is hardly surprising when you consider that sales has to justify its results on about a weekly basis. Marketing can take somewhat longer over things. This is why one of the first things which has to be coordinated between marketing and sales is the measurement and accountability structure.

AT THE HEART OF MARKETING THINKING IN 2005 IS THE ABILITY TO MAKE THE MOST OF THE SALES OPERATION BY WORKING IN A WAY THAT SOLVES PROBLEMS.

The marketing and sales collaboration clock:

1. Position marketing and sales next to each other.
2. Discuss the common goals and the common enemy.
3. Research and analyse the market: SWOT.
4. Assess the competition (using Porter’s five strengths model, for example).
5. Decide how to approach the market (go-to-market model).
6. Establish the core and secondary messages.
7. Appoint a small team responsible for both marketing and sales activities.
8. Keep communicating with each other about the desired output and the results to be achieved.
9. Involve IT (the database) in the process.
10. Plan the campaign precisely and realistically.
11. Ensure that everything is communicated effectively, both internally and – where necessary – externally.
12. Evaluate and learn.

Marketing analyses, sales tries things out. But beware of “paralysis by analysis”. Too much analysing, too much planning, can cripple the organisation. Not daring or being able to take decisions is deadly.

Ultimately, analysis should lead to a focus upon specific action. Not a dry summary of facts. Analysis provides the framework for the relationship between what the wider world wants and the company’s strengths, weaknesses and opportunities. From these marketing and sales can jointly identify specific points for action, culminating in planning and task allocation. That is the starting point for the “cadence” mentioned earlier.

STRATEGY SHOULD NOT BE THE MORE OR LESS AUTOMATIC RESULT OF VARIOUS ANALYSES, SUCH AS THE SWOTS LEARNED ON AN ADVANCED MARKETING COURSE. RATHER, STRATEGY IS A RELEVANT AND CONSIDERED SYNTHESIS OF THE BUSINESS OBJECTIVES INTO SPECIFIC ACTIVITIES.

Familiar analytical methods like SWOT have only two dimensions and address only two questions: "What does the wider world want?" and "What are we good at?" These questions can only be answered properly once the company's common goals and principles have been formulated and communicated adequately. If marketing says that the business primarily serves the national top 100 companies whilst sales is focusing upon small and medium-sized firms, then there is something wrong. And this is what happens a lot. Marketing and sales clearly do not know what one another's target groups are.

Exercises like SWOT and marketing planning do not look closely enough at the actual methods of the sales department. A problem analysis of that department, with the key issues tackled quickly, can boost sales. Naming market opportunities is not that difficult. Anyone who is reasonably at home with SWOT analysis and compiling strategic options can do it. These days, however, the key to success is adjusting the strategy to the potential and "craftsmanship" of the sales department.

A new post: the CDO*

When consensus fails, there remains one controlling tool available to management: budgeting. In many cases, both marketers and salespeople can find clever creative solutions when budgets are restricted.

Far more importantly, focusing solely upon the budget stops people being distracted by matters that do not contribute to the defined strategic objectives. In general, this is much easier for young businesses than for those with a long and successful history. Particularly in those established companies, it can be very useful to appoint a CDO.

The task of this "devil's advocate" is to question seriously every activity's contribution to the objectives set. It is sobering to learn just how few trade shows, direct mailshots and internal communications campaigns stand up to that kind of scrutiny. But then it is very encouraging to realise what else can be done to reach the common objectives using the resources freed up.

* Chief Destruction Officer. This post can also be rotated amongst the members of the management team.

The power of combining trends

TREND 4.

A powerful response to economic recovery

In the introduction to this report, I stated that dozens of relevant business trends could be identified for 2005. I have described only three of them. Three entirely different trends, but with much in common. Trends that we can make real use of this year. Trends with a direct link to the classic definition of marketing as “thinking in terms of markets, products and clients”.

“But what about innovation?” I hear you thinking. As far as I am concerned, the innovation lies in combining the three trends mentioned. If you want to respond forcefully and distinctively to the opportunities offered by the gradual economic recovery, then it would not be such a crazy idea to think about, plan and implement the trends I have described.

The five major technology trends of 2005

In the run-up to the American Webby Awards, the organisers presented their vision of the future of ICT and the internet. This included five technology trends for 2005:

- 1.** Peer-to-peer exchange programs will no longer be confined to music files. They will also be used to share other material, such as photographs and patents.
- 2.** Mobile logs have a big future. These “moblogs” consist of photographs, video and text messages, and the loggers can use community websites to make it easier to post the material directly to the internet.
- 3.** More and more products are being rated. Companies will make greater use of rating systems on their websites, and it will be possible to give anything and anyone a “thumbs up” or “thumbs down”.
- 4.** New search services are changing the way consumers look for bargains. The mobile telephone is going to be a tool in this hunt.
- 5.** Technology-free days. More and more people are discovering that they can do without technology for an hour, or even a day. They use their lunch hour to visit a museum, park or bookshop.

Marketing Online
www.webbyawards.com

(Egbert Jan van Bel is an international Webby Awards judge.)

Another look at the trends, in reverse order

Closing the gap

Although we like to work on “external” activities such as new products, commercials and outside meetings, our primary concern should be with internal issues. Within the context of marketing, that is closing the gap between marketing and sales. There is absolutely no point in developing a whole range of marketing strategies and activities if they cannot be implemented. The coordination and joint definition of goals, plans, tasks and resources, complete with regular evaluation and adjustment, is necessary in order to build up speed as the economy recovers. Every company should really have a big round table at which its marketers and salespeople meet every morning to go through the coming day. How alienated from the market and their own organisation has the marketer become? And what should we expect from them and their profession? If marketers are not open to internal issues and to the coordination needed to achieve the company goals, then things will never come right. Marketing should also interest non-marketers. Both operationally and strategically, horizontal and vertical coordination of plans and activities is required throughout the organisation in order to produce the right response to market demands and needs. If you succeed in that, then you are back in the realm of classic marketing – and that is quite modern enough these days.

Forge the right alliances

Nobody can do things alone. Collaboration is the second-oldest activity in the world. But forging partnerships is not natural human behaviour, even though we seem so adept at it. Quite simply, it is difficult choosing the right partners. That is why it is so important to know before you begin who you are and what you want to be, and how you are going to organise yourself.

According to the Dutch alliances expert Professor P.K. Jagersma of Nyenrode University, entering into alliances in any form represents a new way of safeguarding, or even enhancing, competitive strength. He cites research, by Harbison and Pekar among others, showing that more and more alliances are being established between large and small companies. They are definitely no longer the sole domain of the multinationals.

Forging alliances is an attractive option for enterprises seeking to accelerate their growth and stand up to the competition more strongly. But all that sounds easier than it actually is. After all, the best collaboration only comes if the best organisations decide to work together. Organisations which have their house in order and the right external image in terms of brand and identity. A better corporate identity leads to greater company pride. More pride means working harder to achieve results. And so on...

Strong brands

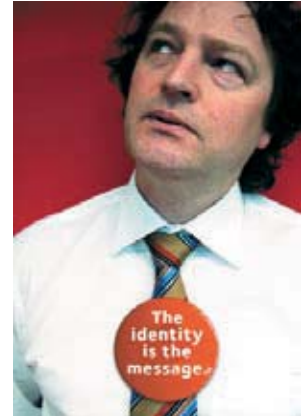
This brings us back to the first trend. Show your business, products or services as strong brands with a message and presentation to match. If we look at the phenomenon of partnerships and brand alliances – in other words, brand interweaving – then we are forced to conclude that the rules of branding and brand management are changing. Brands are standing less in isolation and are increasingly made up of a series of internal values (those possessed by the brand itself) and external ones (those given it by the end user). Perhaps we are even going to invest in brands and

market them in such a way that they are ready-made for all kinds of alliances, to such an extent that in the end a label alone is enough to make a lot of money. A McKinsey report is always good. And Ferrari makes an awful lot of money selling labels for use on lighters, pullovers and Olympus digital cameras.

Just imagine Philips in the year 2012. It has become one big inventors' business with marketers employed to develop and market alliances. And with excellent internal collaboration. In other words, it encapsulates all three of our trends: it has its own house in order, it has cultivated the right partnerships and has a fantastic brand image. Now, if that is not "sense and simplicity"... But I should be starting on 2006. So that's it for now.

ARE YOU GOING TO BE SETTING THE TRENDS THIS YEAR OR FOLLOWING THEM?

Egbert Jan van Bel, aged 46, has been Marketing Director at communications consultancy Pleon in Amsterdam since 2003. He began his career in journalism, but after four years made the move into marketing. In 1989 Egbert Jan started his own multimedia business. After selling that, he held various short-term positions in the retail, finance and utilities sectors. He also now teaches marketing and organisational skills. He has written a number of books, including Event Driven Marketing for which he was awarded the annual PIM Marketing Literature Prize in 2004.



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Pleon

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Pleon is an international consultancy firm with European roots which creates and implements strategies for private and public sector organisations around the world.

With a deep understanding of business, politics and communications, Pleon is uniquely placed to devise compelling solutions which deliver measurable and tangible results.

Going beyond traditional marketing and communications, we make a real and positive difference to our customers' competitiveness and success.

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