



HIGH-DEFINITION NEWS

Marketing Signposts

By Clark Crowder

Consumers became savvier, more cynical, more independent, and more immune to traditional marketing techniques in 2004, using technology to deliver—and screen out—more choices.

And marketers continued their struggle to adapt and find ways to anticipate consumer needs, and some excelled in this, developing new techniques to break through the clutter and gain clarity.

Here are five marketing signposts that we took note of over the past year. Each represents an expression of these trends.

The Google IPO

By the time Google finally filed for its Initial Public Offering in August, founders Sergey Brin and Larry Page had investors salivating in anticipation of the offering, which eventually garnered billions in fresh capital for the company.

Google raised some eyebrows with its decision to offer two classes of stock, and its generally unconventional approach to going public via the "Dutch auction" method, bypassing and rankling Wall Street and delighting the press, which gave the whole event an air of controversy and resulted in an astounding amount of free publicity in the nation's media, most of it positive for Google.

Still, a high minimum bidding price of more than \$100 per share, glitches with institutional investor registration that delayed the IPO, and a *Playboy* interview with the founders that nearly derailed the whole thing kept the company in the spotlight in ways that were negative, *but not that negative*.

The seeds of all this media attention had been sown long before, beginning with Google's unusual name, its spartan home page, and ultra-high-performance search engine technology and speed. Google had an entire nomenclature built by its adherents. For example, the phrase "Google bomb," when multiple Web sites use an identical phrase hyperlinked to the same URL with the intent of pushing it to the top of a Google results page.

This type of mania can only be produced by very skillful marketing. Google founders went out of their way to differentiate their company from others in their category. Everything they did was different and they made sure you knew about it. Even their prospectus for the IPO stated the company's brand promise and

differentiation.

Say what you will about Google, but its founders are master branders and you can't argue with their success: in November the price of Google stock hovers at around \$200 per share.

Democracy Plaza - The NBC/Bank of America Conversion of Rockefeller Plaza in New York City

In many ways, large scale "events" are pretty ineffective as marketing tools. The media tends to ignore them; they are often expensive and they don't usually produce the desired results. But NBC and Bank of America's co-branded conversion of Rockefeller Plaza in New York to "Democracy Plaza" was one brilliant exception.

From October 20th through November 5th, before and during the US national presidential election, NBC and Bank of America transformed the site—also the home of NBC-TV's Today Show—into a museum, an educational opportunity, an entertainment extravaganza and a media center focused on the democratic process—and of course—on their brands.

There were exhibits of an original copy of the US Declaration of Independence, full-scale replicas of the US presidential Oval Office and of the fuselage of the president's jet, Air Force One, interactive exhibits promoting voter registration and, of course, an archive of the history of Bank of America, all surrounded by dozens of American flags and a host of reporting booths draped in red, white and blue around the nation's most famous ice rink.

The ability to tap into powerful American cultural symbols that so strongly promote the nation's system of democracy—and all in the name of getting out the vote—was a stroke of co-branding genius by NBC, which came up with the idea and invited Bank of America, branded with the nation's name, to be the sole corporate sponsor.

Of course, Democracy Plaza also featured prominent displays of NBC and Bank of America's logos everywhere in the Plaza, while coverage was built into the event itself. Virtually no one in the nation was in the dark about Democracy Plaza and its purpose—or its sponsor.

Arnold's California Triumphs

Star power was the obvious driving force behind the whirlwind triumph of Arnold Schwarzenegger in his defeat of recalled California Governor Gray Davis. But since then, the Governor has parlayed his recall win into a powerful admixture of politics and pizzazz.

This movie star-populist's willingness to take every issue "to the people" to circumvent his political opponents using the California initiative process has paid off with triumphs in reforming workers' compensation, the passage of a very difficult budget that used bond financing instead of tax hikes, and, most recently, the passage or defeat of 12 of 16 California ballot propositions he publicly weighed

in on. Other governors would not have a prayer in getting a similar agenda accomplished.

Arnold, like Oprah, is a human logo. His face, mannerisms and bravado can be truly irresistible to the electorate, and this is what helps him transcend party orthodoxy. He projects a warm, wide-eyed, naiveté, but is shrewd and has surrounded himself with people who can supercharge the image he already projects.

Fahrenheit 911 and The Passion of the Christ

The marketing of movies and documentaries took a step into the decidedly unconventional in 2004. Once a backwater of film making, "indies" and documentaries, in particular, have become powerful marketing tools for special and political interests which can't get adequate visibility in the traditional media. And the key has been innovative distribution to thwart denial from the major studios.

Take, for example, the unconventional marketing of Michael Moore's "Fahrenheit 911," and Mel Gibson's "The Passion of the Christ." Both overcame major studio efforts to block them by developing end-around strategies for financing and distribution that took the films directly to audiences the producers knew would be receptive.

Gibson personally financed his movie and then chose fundamentalist Christian churches as his opening venue. He reached out to pastors everywhere, offering free screenings of the movie. And pastors, who liked the film, didn't hesitate to vigorously promote it to their congregations. This created strong word-of-mouth appeal and by the Easter holiday, the movie was on thousands of "conventional" movie screens nationally.

After the Disney studio rejected Michael's Moore's film as too political, the Weinstein brothers stepped in, bought the rights to the film and then got independent film giant Lions Gate Films to handle distribution.

Both major studios were left with nothing, and Moore and Gibson were left with hefty profits. Both film makers relied heavily on the controversial content of their projects to get free media coverage for their efforts, which further propelled them to financial and artistic success. Both also used the Internet to great effect, serving as grist for the blog mill and other unconventional opinion and news sources.

The Carb Craze

Dieting has always been a multibillion dollar business, but 2004 saw the low-carb/no-carb craze burst into the mainstream from its former position as an interesting, but controversial dieting method.

The key was the introduction of credible studies, analysis by the medical community and a general increase in diabetes and insulin intolerance among the populace in the past year. These helped to reposition low-carb dieting as a

"healthy" alternative to the fast-food nation.

Once low-carb received the imprimatur of a critical mass of medical experts, large food producers, particularly the healthy alternatives brands such as Healthy Choice and Smart Ones, began line extensions with low-carb versions of their most popular selections. Even traditionally "unhealthy" choices such as beer and steak houses came up with low-carb recipes that tasted good and appealed to consumers' sense of the need to be healthier.

The bottom line here is that third-party endorsements from authoritative sources are a boon to any product. Remember when Crest toothpaste first noted that "four out of five dentists recommend Crest for their patients?" The same goes for dieting. From a marketer's perspective, the reason these diets have succeeded is also because of momentum. Word-of-mouth and a kind of hipness that comes from doing these diets make people feel in tune with the zeitgeist. If they believe it improves their health and share that belief with others, it *becomes* reality.

For food producers, the low/no-carb craze has been a great mover of product. The only certainty, however, is that new diets will eventually replace the low-carb diet.

The main thread tying all of these disparate marketing signposts together is that their marketers were able to do their jobs with clarity. When things changed, they not only recognized the change, but found a way to leverage it to great advantage.

Your feedback is welcomed and should be directed to Clark Crowder, Principal, High-Definition Consulting Group at clark@high-def.biz.

RESOURCES:

The following resources are recommended by High-Definition Consulting Group:

Publication: PRWeek News—Analysis and jobs for the public relations world
<http://www.prweek.com/>

Publication: Journal of Marketing Education—A leading international scholarly journal publishing articles on the latest techniques in marketing education, emphasizing new course content and effective teaching methods
<http://jmd.sagepub.com/>

Publication: B2B Online—Repository of B2B marketing techniques and strategies
<http://www.btobonline.com/index.cms>

Education: Kellogg School of Management—marketing curriculum
<http://www.kellogg.northwestern.edu/marketing/index.htm>

Association: Direct Marketing Association—legislative action page
<http://congress.nw.dc.us/aim/home/>

Article: CBS News 60 Minutes—piece on "undercover marketing"
<http://www.cbsnews.com/stories/2003/10/23/60minutes/main579657.shtml>

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