

INTRODUCTION

People sometimes engage in self-destructive behavior. Their actions may seem innocent at first, but at some point, repeated bad behaviors form bad habits. Bad habits can lead to harmful addictions.

Just as personal habits form a way of living; professional behaviors form a way of doing business. Unfortunately, too many good companies have bad habits, most notably an unhealthy fixation on paid media. While TV commercials, weekly flyers, and programmatic digital media are the most troublesome, use of radio, billboards, direct mail and print ads are also frequently abused. In addition, many brand leaders are inappropriately dependent upon sales promotions, such as steep discounts, consistent couponing, and recurring buy-one-get-one (BOGO) deals as a means of temporarily stimulating sales. Relying too heavily upon paid media, and/or repeatedly discounting your products or services, damages your overall brand health and does little to actually improve audience engagement or bottom-line results.

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Many brand leaders have privately confessed to us that they know many of their marketing activities fail to deliver the results expected by their enterprise, yet they engage in suboptimal promotional tactics anyway. They rationalize their behavior with either legacy or fear, saying things like:

*“This is just the way our company works.
It’s what we’ve always done”*

“I’m too scared to buck the status quo.”

*“I can’t take risks that may leave my team
or I personally exposed.”*

*“The last time we tried something new it
didn’t work, and we all got in trouble.”*

*“The CEO (or CMO, or Head Merchant,
or VP Finance) doesn’t believe in [insert
new marketing tactic], so we can’t do it.”*

Regardless of excuses, too many marketers are proceeding with marketing strategies that don’t make a meaningful difference, or worse, solve short-term issues while creating even worse long-term problems.

Someone once quipped, “The best marketing most professional marketers do is convince their bosses that their work is more effective than it actually is.”

Poor marketing choices not only waste precious resources, but they can also become habitual, causing companies to become dependent upon specific go-to-market behaviors without properly understanding the implications. As such, we've dubbed hundreds of corporate leaders "promotional junkies" or "advertising addicts." These men and women seek a quick fix via a well-promoted sales event instead of doing something of substance that would render ongoing sales promotions unnecessary. These junkies and addicts rely on their media mix models or ad agency experts to justify huge sums of discretionary dollars be deployed on mass media or markdowns, despite evidence that better alternatives would more ably impact the overall health of their business.

As Robert Stephens, founder of Geek Squad, once told us, "Advertising is a tax that brands pay for being unremarkable."

As a brand leader, you must decide. Will you perpetuate short-term marketing campaigns in an attempt to make your products or services seem better than they are, or will you repurpose that time and money into building something worthy of people's attention and more sustainable for your company's future growth?

The most enviable brands we've encountered, which we affectionately refer to as *cult brands* given their higher-than-average levels of brand loyalty and advocacy, don't perpetuate frequent "win-the-weekend" sales tactics or always-on mass media campaigns. How often do you see

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mass advertising for Facebook, Google, Airbnb, Costco, Spanx, Dallas Cowboys, Sriracha, Krispy Kreme, Lululemon or Kiehl's? Not often, and these brands offer even fewer sales events. Rather, they understand mass promotions and markdowns rarely generate raving fans or long-term return on investment (ROI). So, they opt out. Rather than risk the collateral damage promotional schemes can do to their long-term brand equity, customer relationships, and overall profitability, they choose to rely on other types of marketing disciplines to achieve success. This book provides numerous examples of how North America's most beloved brands have done that. By sharing their stories, we hope brand stewards will not be able to claim, "I didn't know there was a better way."

Overcoming an unhealthy dependence on anything is difficult, but even more so because addicts are often in denial. They believe they know best, and they fool themselves into thinking they are better off continuing to do what they are currently doing. They don't fully comprehend the negative side effects or destructive nature of their actions. Poor business behaviors, unexceptional offerings, uninspired staff, and indistinguishable go-to-market media and messaging plans exist throughout tens of thousands of mediocre brands. More often than not, poor external marketing strategies is indicative of even worse internal engagement strategies impacting corporate culture. For all those suffering from poor side effects tied to the wrong marketing prescription, or are now overdosing on what

used to be a healthy amount of advertising and sales, consider this book an intervention.

When we interview marketing teams across North America, we regularly hear disquieting stories of talent wasted and bright ideas ignored out of fear of failure, newness or change. We witness people struggling to endure the daily grind rather than working on inspired projects with impassioned coworkers and enlightened leaders. Many capable, yet unfulfilled, marketing professionals complain about internal politics, turf wars and a culture of complacency that results in a suite of suboptimal marketing behaviors.

Unfortunately, most employees are unwilling to fight the fight necessary to change their situation. As a result, entire organizations grow desensitized to run-of-the-mill offerings, lackluster marketing performance, disappointing customer satisfaction scores, and poor employee engagement. Over time, these businesses adopt even more bad habits that further suppress creativity, destroy efficiency, hamper effectiveness, and damage morale. As a coping mechanism, many employees trick themselves into believing, “This is just the way all big businesses are run.” They fool themselves into finding solace by imagining every other marketer has it just as bad. As such, most never speak up or stick their necks out to correct flawed strategies, poor decision making, or go-to-market tactics they know in their hearts are ill conceived.

In due course, the more talented and ambitious employees within these floundering corporate cultures

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resign, fleeing to greener pastures where they discover healthier work environments with more courageous brand leaders who aren't strung out on hyper-promotional activities. Or, they escape to smaller companies that have noble brand ideals and legitimate desires to truly engage consumers with meaningful value propositions. And a few capable, yet tenured, professionals hang on just long enough to retire, plugging their noses at the distasteful job of masking symptoms rather than addressing the causes of their brand's diminishing relevance, deferring to the next generation of marketers to rise up and fix what is broken.

Worse than losing great talent, most companies are left with the less-motivated, less-progressive employees who choose to stay. These employees opt to suffer in silence and subconsciously contribute to the gradual decline of their companies' financial and cultural wellbeing.

If only more employees and brand leaders could look inside cult brands, as we have, and realize there is a better way. Much better. These pages will introduce you to eight core attributes of cult brands. Our hope is that you will replicate their behaviors in an effort to rehabilitate your organization and reap the benefits of highly engaged customers, prospects, and staff.

ONE WORD OF WARNING ...

In our experience over the past twenty years, highly addicted companies rarely change until someone who is in a position of power—usually a newly appointed CEO or CMO—commits to a radical recalibration. A mutiny of lower-ranking brand managers rarely works. So, if you're not the boss, rather than stage a coup, we suggest you simply gift this book to whomever who has enough authority and courage to buck trends and blaze a new path forward. Let the examples herein provide the rationale necessary to open her or his mind, because we wrote this book for senior business leaders who are able and willing to make bold changes.

Lastly, before we roll up our sleeves and get into it, please note that this book isn't an anti-advertising book professing mass media is dead. Advertising and sales promotions have a place within most brands' marketing mix. Their disciplined use has been proven to positively impact some aspects of the customer experience. However, their use should be carefully considered and expertly deployed after marketers have exhausted their time, talents, and dollars on the cult branding strategies contained herein.

In order to get the most out of this book, we invite you to ponder three truths:

TRUTH #1: Many businesses abuse promotional tactics and paid media. Creating awareness, or entertaining people with clever advertising, or

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bribing consumers with sales promotions, have little correlation with real audience engagement. They are most often unfortunate distractions that prevent brand leaders from earning legitimate customer loyalty, sustainably boosting revenue or improving their bottom line.

TRUTH #2: Proper audience engagement marketing activities will improve the overall health of your business (such as the way your brand is perceived externally, how it behaves internally, and how it performs financially) faster than just about anything else you can do.

TRUTH #3: Many of the most enviable companies—those we affectionately refer to as cult brands—excel at eight specific audience engagement strategies. By studying and emulating their beliefs and behaviors, all brand leaders can more quickly and easily learn where to focus their efforts and redeploy their marketing resources.

If you already agree with these truths, read on. We may teach you some things to help you further cultivate your own amazingly engaged cult following.

If you disagree with any or all of the statements above, we ask you to suspend your disbelief for a few hours and let us prove them out. We will demonstrate how traditional marketing approaches are in need of a

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serious overhaul. We will give you the rationale, tools, and confidence you need to change your organization's behavior, to make your business more successful, and make your career more rewarding.

Your road to recovery starts now.