What is a marketer? The allure of brand management

Marketing encompasses a wide variety of meanings and activities. Some marketing positions are very close to sales, others set overarching marketing strategy. What marketing positions have in common is the sense of ownership over the product or service and the need to understand customer needs and desires and translate those needs into some kind of marketing communication, advertising campaign or sales effort. The manager of product or service marketing is called the brand manager — he or she is the ruler of that marketing universe.

Careers within the marketing/branding arena are high-profile. The business world is now realizing that strong brands and solid marketing programs drive shareholder value, and that companies can no longer make fundamental strategy decisions without truly understanding how to market a product. Today’s business challenges — the quest for company growth, industry consolidation and deregulation, economic webs, and the emergency of new channels and technologies — make marketers even more valuable.

The titles of brand manager and marketing manager are basically interchangeable — some companies use one title, others use the other. Brand management, however, implies more complete supervision of a product. The typical brand management framework gives a brand “group” or “team” — generally comprised of several assistant brand or assistant marketing managers and one supervising brand manager — responsibility for all matters relevant to their product or products. Whether this responsibility is in fact complete depends somewhat on the size of the company relative to the number of brands it has, the location of the brand group, and most importantly, on the company’s attitude toward marketing.

How important is the individual brand manager?

Consider the company to determine the level of brand manager responsibility. The first factor: the size of the company relative to its number of brands. For a company with hundreds of different brands — Nabisco, for example — brand managers, or even assistant brand managers, may have a great deal of...
power over a specific brand. At companies with a few core products, brand managers will focus on narrower aspects of a brand. As one recently hired assistant brand manager at Coca-Cola comments: “They’re not going to take an MBA and say, ‘Okay, you’re in charge of Sprite.’” Brand managers at such companies will instead be focused on marketing to a particular demographic or geographic group, or perhaps handling one aspect of the product’s consumption (plastic bottles, cases of aluminum cans, and so forth).

International brand managers usually have more sway than managers in the company’s home market, but keep in mind that the daily tasks of international brand managers often lean more toward questions of operations, rather than questions of strategy or marketing. (‘How much should we produce?’ or ‘How is our distribution network affecting sales?’ rather than ‘What do we want our brand identity to be?’)

Finally, consumer products companies place varying levels of importance on their brand or marketing departments. Some companies, such as the Ford Motor Company, are driven as much by financial analyses of production costs or operations considerations as by marketing. The level of emphasis on finance or operations matters at a firm will influence not only the independence and authority of marketing managers, but also potential marketing career paths. At some companies, marketing is the training ground for general management. At General Mills, marketing is considered so important that employees in other functions who show promise are plucked from their positions and put into the department.

**Careers in Marketing**

Taking charge of a brand involves tackling many diverse job functions — and different subspecialties. Decide where you’d like your main concentration to lie.

**Brand Management**

In a typical brand management organizational structure, positions are developed around responsibility for a particular product rather than a specific functional expertise (i.e. you’re an assistant brand manager for Cheerios). This structure enables you to be the “master of all trades,” acquiring an expertise in areas such as manufacturing, sales, research and development, and communications. In brand management, the marketing function is responsible for key general management decisions such as long-term business
strategy, pricing, product development direction and, in some cases, profit and loss responsibility. Brand management offers a terrific way to learn intensively about a particular product category (you could be a recognized expert on tampons!) and to manage the responsibility of running a business and influencing its performance.

The core of brand work is brand strategy. Brand managers must decide how to increase market share, which markets and demographic groups to target, and what types of advertising and special promotions to use. And at the very heart of brand strategy is identifying a product’s “brand identity.” Brand groups then figure out how to exploit brand strategy, or, in some cases, how to change it. PepsiCo’s Mountain Dew has built the drink’s popularity among youth as a high-caffeine beverage into a “brand identity” of cutting-edge bravado that has boosted market share, while the Banana Republic chain underwent a transformation from an outdoor adventure store that sold actual army-navy surplus to an upscale, chic clothing store. In both cases, the brands have benefited from a shift in brand identity, and consequently, a shift in their market. Brand identity is normally created and confirmed through traditional print, radio, and TV advertising. Advertising is usually produced by outside agencies, although brand insiders determine the emphasis and target of the advertising.

**Advertising**

If you enjoy watching commercials more than television programs, then consider the advertising side of marketing. As an account executive, your role is to serve as a liaison between your brand management client and the departments within your agency. Account executives manage the creative production process from beginning to end, from researching what benefits a product offers, to writing the strategy for a typical commercial. Account executives must also handle matters such as briefing the creative department on how to execute the advertising strategies, working with the media department to buy ad time or space, and determining how to spend the marketing budget for advertising. (Will potential consumers be best reached via TV, outdoor billboards, print or radio — or through a general saturation campaign?)

**Direct Marketing**

Ever wonder who is responsible for making those coupons you receive in the mail? Or the Saab videotape you’ve received every two years since you
bought your car in 1993? You can thank direct marketers. Direct marketers are masters in one-to-one marketing. Direct marketers assemble databases of individual consumers who fit within their target market, go after them with a personal approach, and manage the production process from strategy inception to out-the-door distribution.

Direct marketers have two main objectives: to stay in touch with their current consumer base and to try and generate more business by finding individuals who fit a target set of criteria but are not currently using their particular product. For instance, if you’ve ever checked out of the supermarket and got a coupon for Advil after buying a bottle of Tylenol, chances are a direct marketer is trying to convince you to switch brands by offering you a monetary incentive.

**Affiliate/Property Marketing**

If you’re working with a major brand company like Nike, Disney, Pepsi, or L’Oreal, chances are you’ll do a lot of cross-promotion, or “affiliate marketing.” For instance, Nike has marketing relationships with the NBA, NFL, and a variety of individual athletes and athletic team. Disney has a huge relationship with McDonalds; cute toys from the entertainment company’s latest flick are packaged with McDonalds Happy Meals upon the release of each new movie. L’Oreal works with celebrities like Heather Locklear and sponsors events such as the annual Academy Awards.

Marketers must manage the relationship between any two entities. If Disney wants to promote the cartoon du jour with McDonalds, or Pepsi wants to make sure that all Six Flags theme parks have a Pepsi Ride, then marketers ensure both parties are getting what they need out of the deal and staying true to their own brand image.

**Price Marketing/Sales Forecast**

Pricing is largely driven by market pressure. Most people, for example, won’t pay more than $2.00 for a hamburger in a fast food restaurant. On the other hand, brand managers always have some pricing leeway that can greatly affect market share and profitability. An increase of a nickel in the price of a product sold by the millions can make huge differences in revenue — assuming the price rise doesn’t cause equivalent millions less of the products to be sold. Brand managers need to figure out the optimal pricing strategy for their product, though it’s not always a case of making the most money.
Sometimes it makes more sense to win market share while taking lower profits. How do brand managers justify their prices? Through extensive research. Paper towels, for example, may be much more price-sensitive than a luxury item like engagement rings or smoked salmon.

Brand and marketing managers don’t always have free reign over pricing. At some companies, such as those that sell largely through mail order, or those with complex pricing systems, pricing and promotional offers may be limited to what the operational sales system can handle. Explains one marketing manager at a long-distance phone company (an industry with notoriously tangled pricing plans): “It’s very easy to offer something to the customer. It’s very difficult to implement that in the computer system.”

Another large part of the general management duties of brand managers is forecasting product sales. This not only means keeping track of sales trends of one’s product, but anticipating responses to marketing campaigns and product launches or changes. The forecasts are used to determine production levels. Once a year, brand groups draw up budgets for their production, advertising and promotion costs, try to convince the finance folks that they absolutely need that amount, get less than they ask for, and then rework their budgets to fit the given budget. As one international brand manager at one of the world’s biggest consumer goods companies puts it: “You don’t determine the production and then get that budget; you get the budget, and then determine the production.”

**High-Tech Marketing**

Not everyone markets applesauce for a living. Many people choose to enter the world of high-tech marketing because they want to work with products and technologies that reshape and improve the world around us. These marketers feel that they would rather change the way a person interacts with the world in a sophisticated way, rather than spend time understanding what hair color teenagers find most appealing. High tech marketers spend much of their time understanding research and development issues and working on new product launches.

Technology companies like Intel, Amazon, and Microsoft have recognized the power of branding and are utilizing traditional marketing tactics more and more. Amazon’s extensive marketing campaign in 1998 helped brand that company in the mind of consumers still new to e-commerce as the company to purchase books (and other products) online. Intel became perhaps the first
semiconductor company readily identifiable to the public through its heavily branded “bunny people.” Marketing in the high tech world will continue to grow in importance over the next decade, as technology companies become more consumer-oriented. Marketing a service or software product versus a more tangible product is a bit different. It may be a bit more challenging to understand how consumers relate to the product. Inventory and distribution issues may be tracked differently.

**Market Research**
If you are an analytical person who enjoys numbers and analysis, and enjoys tracking consumer behavior, then market research may be the field for you. A product is much more effective when a company understands the consumer it is targeting. That’s where market researchers come in. Market researchers employ a variety of different qualitative and quantitative research techniques to understand consumers. Surveys, tracking systems, focus groups, satisfaction monitors, psychographic and demographic models, and trial/repurchase estimations are all methods researchers use to understand how consumers relate to their products. Researchers who find that consumers associate lemon scents with cleanliness, for example, may suggest that cleansers could drive up sales by adding a lemon aroma.

**Public Relations**
Public relations professionals manage company communications and relations with the outside world. You can work for an internal PR firm (large companies have their own departments that manage the public relations of all of their brands) or you can work for a PR agency and be placed on a brand account. Public relations executives write public releases to local and national publications and develop ideas that will increase the “buzz” surrounding their brand. Some PR firms have excellent reputations for pulling off “stunts” that get their products in the news and increase their brand recognition. Public relations executives may also be forced to defend a brand in the face of public scrutiny — such as the Tylenol brand during the rash of poisonings in the 1980s.

**Marketing Consulting**
Although most well-known consulting firms are known for their expertise in general strategy, many consulting firms now hire industry or functional experts that focus on marketing issues. These firms need people who can
develop expertise in the areas of branding, market research, continuous relationship marketing, pricing strategy, digital/new age, and business-to-business marketing. McKinsey and Monitor are two general strategy firms that have begun to hire marketing specialists. Other boutique marketing consulting firms, such as Kurt Salmon, focus on certain product categories like beverages, healthcare, and retail.
MARKETING CASE

Hallmark Cards — Creating a Category

Eighty-six percent of consumers today would rather buy a Hallmark Card than any other card on the market. Hallmark has been able to command this consumer preference by developing additional consumer buying occasions, relating to distinct consumer targets and creating extremely relevant advertising. If you think that holidays such as Valentine’s Day, Mother’s Day, Father’s Day, and Groundhog’s Day were created by Hallmark, then you’re wrong. BUT, what Hallmark has created is the perception that you must get a card for your loved ones on all of these occasions. In addition to creating additional buying occasions for their product, Hallmark has done a better job than anyone else at targeting distinct ethnic and racial groups. Since card-giving is so personal, Hallmark created an extensive market research department that probed meaningful messages for Jewish, Hispanic, African American and teenage consumers. As a result, Hallmark has a distinct product line for distinct consumer targets in order to serve them better. Lastly, Hallmark creates advertising that gets right to the heart. The commercials (usually two minutes long in order to paint a story) remind you of the first time you received a Valentine, the bond between sisters and the jitters you felt before asking someone to the prom. If you don’t want to rush out and buy a Hallmark Card after seeing one of those vignettes, then you’re not human.