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In a time of over-use of clichés, anecdotes and parables, clarity of mind, word and intent is a virtue.

Sadly, confusion abounds with contradictory interpretations of descriptions about “the battlefield”, “swamp”, “headwinds”, “mire”, a need to “batten down the hatches”, “tighten the belt”, “attack”, “retreat” or “trim the cloth”.

The consequences are evident, internally and externally, among customers, clients, suppliers and those in supply chains.

Direct, concise, transparent expressions of what, how, when and, above all, *why*, have a unifying effect on teamwork, morale, confidence and purpose.

Enough said - and written. Let's get on with it.

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GET BEYOND “EXPRESS” FAST

That happened quickly.

All too soon in commerce, “express”, “rapid” and “bullet” have become redundant and obsolete.

There is no relevant scaling in business today. *Fast. Faster. Fastest.* They have been narrowed to just one viable and sustainable option – *fastest*. The alternatives are simply relative measures of failure, and for consumers, under-performance.

Contemporary NOW consumers and clients have high expectations and low tolerance of non-delivery (on-time). Those impact on, influence and quantify the images, presence, positioning and preferences for trading entities, including service consultancies, franchising networks, finance providers, property developers, new-home builders and real estate agencies.

Getting it right, and fast, pays dividends. On Wednesday, 22 May, five major US retail groups – Lowe's, Walmart, Home Depot, Nordstroms and Target reported their annual performances to Wall Street (New York Stock Exchange). Only one, Target, declared increased sales and profits.

Within minutes its share price rose 7.7%. Target alone had implemented, and was promoting and delivering NOW offers. That is, delivering orders on the day the order is received, often within 2 hours.

Management stated that some 25% of the increase in turnover in stores and on-line could be attributed to the NOW offering. Moreover, and significantly, more than 50% of the increased traffic to both channels had been stimulated by the distinguishing offer.

Interestingly, many consumers who had responded positively to the offer had not exercised it in their transactions. No big deal. The revenue was banked anyway.

Some people respond to offers, but don't carry through. Great object lesson.

STARK CONTRAST

The marketplace responses to home-deliveries by Coles and Woolworths throughout Australia have been underwhelming, if not disappointing, and expensive. Neither is, or has, operated at a profit. Forecasts for the immediate future signal similar unprofitability.

A major contributing factor is the widespread consumer perception and expectation that deliveries will take one, two or three days after the order has been placed. Hardly fast, or NOW, and certainly not sufficiently responsive to meet expectations of *instant gratification*.

The same principles, disciplines and consequences apply to homeware, health, beauty, furniture, fashion and motor vehicle accessories and parts.

Cafes and restaurants have been slow to recalibrate business models to meet increasing demands for (prompt) home deliveries.

ACTION NEEDED

All business models need to be reviewed and be refined to meet and fulfil the dictates of NOW deliveries and order-fulfillments.

Moreover, they need to do it fast, quick, promptly, express or whatever term applies.

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SUITE OF SERVICES

Barry Urquhart and Marketing Focus provide the following range of services to individuals, partnerships, companies, professional associations, networks and franchise groups:

- **CUSTOMISED KEYNOTE ADDRESSES**
 - Conferences
 - In-house seminars
 - Training sessions
 - Retailer/client product release events
- **FACILITATION**
 - Strategic planning workshops
 - Creative business development meetings
 - Change-management sessions
- **CONSULTATION**
 - Marketing audits
 - Strategic planning reviews
 - Competitive evaluations
- **COUNSELLING**
 - Consumer behaviour analysis
 - Corporate culture enhancement
 - Customer service delivery
 - Original visual merchandising
 - Retail selling skills

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SELECTIVE–SOLACE FOR THE TIME-POOR

Among the many advantages and characteristics of social media foremost is the ability to dispense information promptly, extensively and inexpensively.

But dissemination of non-discriminatory texts is a fundamental contradiction to the concept of social media; personable, individualised and pertinent exchanges are typically well received and considered positive.

A transition from analogue to digital parallels the transformation from supposed broadcasting to narrow-casting.

In the past (analogue era) rationalisations tended to be encapsulated in the phrase:

- *“It seemed a good idea at the time”*

Now justification for the bombardment (read: blanket-bombing) of social media missives is inclined to be supported by the expression:

- *... because I/we could.*

Beware brand damage. Protect your integrity. Limit communications and offers. Both the offers and moderated exchanges will be valued.

Before pressing “transmit”, pause, reflect, contemplate and determine the relevance and timeliness of the message.

Your thoughtfulness will register, and be applauded.

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SHARE THE WORD

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If they wish to receive the communications direct, have them contact Jill Urquhart at Marketing Focus with their contact details:

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THE FUTURE OF RETAILING – A RETROSPECTIVE

Back to the basics.

In a time of digital disruption, social media, on-line purchasing, artificial intelligence, innovation and rapid technological advances, there are several striking trends and circumstances:

- Static revenue
- Rising costs
- Squeezed margins

- Intensifying competition
- Loyalty ebbing away
- Business closures conspicuous
- Failures and liquidations gathering pace

Significantly, a rapid migration to on-line, and to digital marketing has not been effective in countering those trends. Indeed, in a significant percentage of instances, they have contributed to the outcomes.

DISCOUNT DISCOUNTING

Widespread and consistent price discounting has not, addressed or redressed the situation. A decade-long campaign of advertising “down, down, prices are down” has not generated increased revenues, margins, profits or market-share for Australia’s second largest supermarket network.

In a June report to shareholders, the Chief Executive revealed that earnings had declined some 20% over the past two years; he anticipated the next five years to be the most challenging experienced by the sector.

Static revenue was in stark contrast to rising costs, and the recent and pending arrival of global competitors presented a foreboding evolving scenario.

Among the priority initiatives was an annual reduction of \$1 billion in operating expenses, and the recalibration of the schedules for store openings, supermarket sizes, product range contraction and locations (and possible relocations) of retail premises.

MULTIPLE OPTIONS

A strategic review of entities in the broader supermarket sector, undertaken by Marketing Focus, identified a total eleven options for improved competitiveness, relevance and profitability.

Similar analyses have been successfully undertaken for new-home builders, real estate agents, financial planners, travel agencies and veterinary surgeries.

To a greater or lesser extent, nine of those options had been implemented with little or no sustainable success for the supermarket chains.

The remaining two provide encouraging scope and opportunities: investment in in-store upgrades; and the employment of high-quality, experienced and professional staff members, who have the capabilities of interacting positively with customers.

CONCLUSION, BEGINNING, OR REALISATION

Interestingly, the report to Coles shareholders contains noticeably little emphasis on increased endeavours in on-line, social media and digital disruption. References were made to the introduction of artificial intelligence in and throughout warehouses and

fulfilment centres. Supply chain management remains an imperative to efficiency and effectiveness.

The lessons to be learnt, and the conclusions to be drawn centre on the importance of established and proven skill-sets and investments in the theatre of retailing. They need to be respected, retained, modernized and complemented with social, digital and on-line channels – not replaced by them.

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CAUSE FOR CONCERN

“Advertising is over half my problem” (Quote from a prospective client).

Another half-truth.

In this particular instance, like so many others, the advertising was a problem. However, it was, in reality, symptomatic of the underlying causal factors and therefore a product of inappropriate or mis-aligned briefings and orientations.

Achieving “cut-through” and impact are becoming progressively more challenging. Communication channels, like the marketplace, are rapidly evolving. As a result, they are more complex, and in a range of circumstances, more fragmented and disjointed. The word and concept “synergy” seems to be limited to a power company which operates in Western Australia. (And, let’s not venture into commenting on its standards, consistency and universality of supply and distribution – let alone costs.) Alas, all too often, “1+1” is regularly coming up short of 2.

Consumers and clients tend to have reduced attention-spans, they exercise more readily selective perception whereby large blocks of communication – which are deemed to be irrelevant – are filtered or blocked.

Typically, blame for advertising under-performance is attributed to the communication channels or advertising agencies. Wrong.

Access to targeted and preferred audiences can be achieved, but result in little or no responses, if the context is not right.

PROPER HORSES, FOR COURSES

The lack of “fit” in the marketplace often relates to a company, brand name, product, service and, yes, category.

That can and does have implications for defining (or redefining) target audiences, product/service configurations and timing.

“Outdoor furniture” is a fine example. It is a category which has some unique (and interestingly, self-induced – if unintended) – characteristics demand is typically short-term, with high peaks and low troughs. Price is a key determinant in product and outlet selection.

Why? In essence, to many consumers the term “outdoor furniture” equates to summer. So in Australia that means consideration for, and contemplation of purchasing products in that category is, (at a stretch) limited from November to March.

Accordingly, advertising – regardless how creative or price-oriented – will not readily resonate with and impact on targeted primary, secondary and tertiary audiences during autumn and winter periods.

Mind-sets do constrict interest, demand, sales and relevance. Therefore, effective repositioning of the category - “outdoor furniture” - is needed to promote scope and opportunities for increasing sales throughout the four seasons.

REDEFINE AUDIENCES

At differing times, endeavours to communicate with select demographic and psychographic profiles may well be futile or marginalised unless, and until, all factors and variables are aligned.

Individual consumers fulfil multiple roles in the contemporary pluralistic society. That is; *she* may awaken next to her spouse or partner and be a “wife”, she then prepares breakfast for the family as “mum”. Driving to work she is another “commuter”, before arriving at work, to undertake her role and obligations as a “boss” or “employee”.

On the way home, after a full-day’s work, she calls into the supermarket and completes the task of a “shopper”, before participating as a “team-member” in a local sporting club.

Thus, the self-image and role-specifics of a prospective outdoor furniture buyer may, and probably will, differ.

Our research has verified and identified that key point, together with prioritised purchase criteria that are applied, buying “outdoor furniture”, or alternatively repositioned product categorisation.

STIMULATING INTEREST

Developing awareness and sensitivity of often unrecognised needs is an important component of the communication mix.

The actual products or categories may not be primary purchase items. They can be, and often are, dependent, subsequent or complementary acquisitions. Establishing and profiling such value-packages tend to de-emphasise price sensitivity, demands and expectations.

Alas, the four “P” components of the selling philosophy – Product, Price, Place, Promotion – have been eclipsed, again.

Advertising may be an element in the mix, but it is questionable that it is “the” problem.

STEPS TO SUCCESS

Certain key aspects of the communication and marketing disciplines, when developed in sequential order enhance impact, resonance, effectiveness and sales. They include:

- **REFINE TARGET AUDIENCE PROFILES**
Extend consideration beyond demographic and psychographic profiles. Identify, isolate, analyse and focus on relevant lifestyle role-plays. This will personalise headlines and messages.
- **REPOSITION BRAND/SERVICE/COMPANY CATEGORIES**
Broad-brush generalisations typically lead to commoditisation. “Department stores” are **passee**, outdated and hold little interest for many. Discount department stores suffer from an image and positioning problem, which is reflected in poor and falling sales and profits.
- **CONSIDER COMPLEMENTARY PURCHASE OPPORTUNITIES**
Not all products, services and brands are, in isolation, a primary purchase item. Their value is enhanced when clustered with other, often more dominant merchandise:
“Would you like ... with that?” Is a well established proposition that elicits positive responses in sufficient numbers and percentages, to increase the bottom line.
- **RECALIBRATE THE ADVERTISING**
From a “clean slate”, decisions need to be made about the content, the headline, context, channels and scheduling of the advertising/communication mix. As implied in this sequential overview, advertising can prove to be (an important) footnote, rather than a problem.

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