

Now it's robo-calls

I am sure that you heard of the Republican National Committee's robo-calls during the 2008 election. People were very irritated to get them. And why wouldn't they? After all, it is bad enough to get an unsolicited call but then to pick up the phone to be greeted by a robotic voice? You can't talk back to a robot! You can't ask the caller to please never call you again. And what is most interesting is that there is no data that show that these types of calls work. Here is an article in Politico from earlier in the year pleading with the campaigns not to use robo-calls. The author claims that one of the main reasons that these calls are employed is because they are cheap.



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This leads me to the latest in the Verizon FIOS push. Today, I got a robo-call. My only guess is that Verizon is conducting a marketing experiment to see which method works. And hey, robo-calls are cheap! Especially if you are the phone company—you don't even have to pay for phone time. In my opinion, Verizon's marketing geniuses are thinking that somehow they will get me to sign up. So they will try each option numerous times. Meanwhile, have they checked the blogosphere for what is being said about them? No...haven't gotten a single comment. When I wrote about Comcast a few months ago, a representative contacted me to try to rectify the situation. Verizon does not care what you or I think. The

company only cares that you sign up for its services. I will tell you one reason I won't sign up for FIOS—because if something goes wrong with my TV/phone/Internet I will be forced to talk to Verizon. And I don't want to talk to Verizon, ever.

The power of branding

I've had lots of occasion this past week to think about branding as I led writing groups for a business school class on marketing. The undergrads had to write a marketing paper dealing with some sort of marketing strategy. Most of them wrote about "brand extension," where a new product is introduced under the existing brand name. The students had a bit of trouble relating theory to real world practice, but if anyone doubts the power of marketing and branding, they should look no further than this article in yesterday's *Washington Post*. The article talks about how exposure to certain brands (Coke is one of them) actually fires up areas in the brain that are also akin to RELIGIOUS experience. Why? Because marketers have spent years creating messaging that forms emotional connections for the brand. Of course, Coke is the prime example. I think it has the highest (here's another marketing term) brand equity of all brands. Its logo is instantly recognizable, and they have had a particularly successful marketing campaign. When we think of Coke we may think "a Coke and a smile" or Santa or fuzzy bears or any number of campaigns designed to appeal to our emotions. The bottom line is that good marketing and branding do work to create positive associations.

Most everything that we are exposed to through the media has a (yet another marketing term) brand essence or personality. We

associate certain behaviors/attributes/lifestyles/etc. to certain brands/products/people and countries? At least Howard Fineman of *Newsweek* seems to think that countries have brand personalities. And perhaps they do. However, he writes that Barack Obama is engaging in a branding exercise for the United States simply by the choices he's making for cabinet positions. Although I agree with the premise, I think Fineman is a bit sketchy on the details.

Bottom line: branding works. When something is not well known, it is because that something does not have a strong brand identity. Branding works for products (how many people out there have a preference Coke versus Pepsi versus store cola?) and it works for organizations. Apparently, branding also works for countries (let's see...England is traditional, some might say stodgy, Iran, more apt to incite violence, New Zealand has lots of dairy...).

The hard sell

Used car (and for that new car) salespeople are known for driving a hard sell. And generally, consumers hate a hard sell. In fact, certain car dealerships (CarMax and Saturn) made their USP (unique selling proposition) the fact that what you see is what you get, and that you won't get hassled. Somehow, Verizon has not gotten the memo. I want to understand what the Verizon marketing folks are thinking, because from my perspective, they are driving a really hard sell, and not only that, they are being tremendously wasteful (not getting the ROI they should). As I mentioned a few days ago, Verizon is in the middle of selling FIOS. I have received about two marketing pieces a week (direct mail), three to four hangups from Verizon on my phone (telemarketing) and have been exposed

to more Verizon TV ads than I care to think about. The bottom line is, as I have told Verizon, I AM NOT GETTING FIOS!!!! Stop selling me PLEASE!!!

At some point, they have to stop. But they won't. Why? Because they have spent millions of dollars in research, development and roll-out of FIOS and until every single Verizon customer signs up, they probably will not make up the difference. They may have miscalculated that people would be all over FIOS, or they rolled out FIOS at a time when people are cutting back on everything. In either case, Verizon believes that marketing FIOS will eventually bring in the numbers. Otherwise, they would not spend the money. However, I think their approach is extremely wasteful (yes, even in an environmental way).

So, my bottom line is that Verizon is the used car salesperson I will avoid at all costs. I am not buying a car (or new TV/phone service) any time soon. So sell away but all you are doing is irritating me and making me consider alternatives.

Reality versus reporting

Something very interesting happened this Black Friday...it went well for retailers. But it wasn't expected to. The news media kept reporting that sales were expected to be lower, with fewer people shopping and shopping for fewer items. In fact, they reported this while they reported that people were camping out for sales and even that people trampled to death a security guard in their rush to enter a New York Walmart store. The final numbers are not in yet, but apparently, sales were better than expected and may even have been higher than last year.

This is interesting because a narrative has been formed in the

media: economy is bad and people are not shopping, not matter what. Economy is bad, and people are not traveling not matter what. And yet, planes and roads are full and there is no parking to be had at local malls. Even my local bookstore was packed on Black Friday, even though they had no special sales. In short, there seems to be a disconnect between what is being reported (or what reporters think) and what is actually happening. Often, what is reported is not real but BECOMES real. In this case, it seems to be the opposite. I wonder if the panicked reporting about the dire state of the economy is partially a desire to create a black and white narrative or a true appraisal of reality. What do you think?

New selling points

The economic-banking-credit crisis has spawned some new advertising selling points and language for financial institutions. These seek to reassure current and potential customers that their money-investments-assets are safe. For instance, SunTrust Bank is using a new tagline: "Live Solid. Bank Solid." Obviously, solid is a good word to describe a bank, especially in light of recent bank failures. Bank of America, one of the largest banks in the US, is still going with the "Keep the Change" campaign, and a headline to their newest ad is "If you're going to spend, spend smart."

I have seen lots of ads featuring words like secure, safe, solid, smart, trust and so on. It is not about high returns or great investments any more, it is about keeping what you have in an increasingly turbulent marketplace.

Meanwhile, Commerce Bank, which was a bank operating mainly in the Northeast, got "rebranded" into TD Bank due to a merger

with TD BankFinancial Group of Canada. Commerce, who used red as its color, is now green. The change was quite sudden and confusing. I am sure that current customers were aware of an impending change, but others must have been taken by surprise.

Publicizing your image

Nothing makes a celebrity like publicity. In fact, without publicity, there would be no celebrities. Yet, we often hear of scuffles between celebrities and the paparazzi or stars taking tabloids to court. Of course there is a not so fine line between publicizing and slandering, and anybody should be careful of crossing that line. Some celebrities are known for being private (quite an oxymoron) and some for being rabble-rousers (Lindsay Lohan anyone?). In both cases, this is part of their carefully crafted public persona. They attempt to control the media's portrayal of them, to suit their purposes.

In today's New York Times, there is an interesting article about Angelina Jolie and her masterful control of the media. Apparently, part of the negotiation involved in giving her twins' pictures to People Magazine included a clause for positive coverage. If this is true, and People denies it, it calls to question whether People can be considered a journalistic endeavour or simply a celebrity publicity outlet. Chances are, it's a bit of both. In any case, People would not exist without celebrities to cover and celebrities would not be celebrities if they were not covered. So, in a sense, People can't afford to alienate celebrities.

I am not sure what I think of Jolie's "carefully crafted" persona. In a sense, what she has done is rehabilitate her image through the use of new imagery (adoptive children from

underdeveloped countries, nomadic lifestyle, Brad Pitt). Prior to that, she was a tattooed, blood vial wearing wife of Billy Bob Thornton. In any case, Jolie is a case in point, in that what the media show about you, is what people perceive you as. A lesson that is good for all organizations concerned about image.

Fast food is healthy

As if. But MacDonalds, the king of marketing, would like you to believe so. Or at least it is trying to use mothers as emissaries for this message—they call it their “quality correspondents program.” I am not making this up. It is reported in today’s Washington Post, and it is an attempt to maintain already high levels of fast food consumption high. Apparently, if mothers make the argument that french fries aren’t so bad for you, other moms will listen. And if moms think its OK, then kids will be free to consume the “healthy” fries. What MacDonald’s claims it’s doing, is making sure through this type of PR, that people know they are concerned with food safety and quality.

I have several issues with this. First of all, french fries are not healthy, period. They are deep fried and carry most of their calories from fat. It is inane for McDonald’s to pretend otherwise. Perhaps a small order of fries does not have the calorie content say, of a quarter pounder with cheese. If someone wants to eat fries, they do so because they enjoy the taste and not because it is a virtuous choice on the menu.

Second, this type of person-to-person marketing, based on manipulated information, is not what I would call transparent. It is surreptitious. It is pretend. If a woman who is my

friend or acquaintance tells me something, I have no reason to disbelieve what she is saying. I also don't have enough information. Lots of marketing shifts the burden for more information to the consumer, but this type of marketing is more opaque. Moms aren't going to include a website link to the company, or are they?

What I really wonder is why McDonald's needs to this at all. They are a ubiquitous part of the landscape, and everyone knows what kind of food they sell. Lots of people eat there—what are they up to, zillions served? They have great brand identity, brand knowledge and good advertising. And in a weak economy, fast food places generally do good business since they are cheap and easy. No one goes to McDonald's expecting fine or healthy dining. And as far as I know, everyone assumes you will have low-quality standards maintained across the board—clean and fast is what you expect, not high quality and good for you.

When does it become too much?

In the case of Verizon FIOS, about 100 million messages ago. OK, I am exaggerating, they could have stopped at 1000. In all seriousness, Verizon is marketing the hell out of FIOS. They want everyone who has ever been near a Verizon phone to sign up. There is TV advertising, telemarketing (these people have been calling my house at least 3 times a week for the past 8 weeks easily, even though I already told them I AM NOT INTERESTED) and direct mail. I get a direct mail piece from them roughly once a week—whether it be a postcard or a full blown letter, like I got today. What a great offer...they will bundle TV, Internet and Phone for \$100 a month PLUS taxes and fees for one year (translation—you are locked in for a year no

matter what and then your price will go up). Still, I am not interested. I hate Verizon, and this marketing onslaught is making me hate them more. At some point, the costs outweigh the returns, and the many dollars they are spending trying to get me to sign up are ill spent, especially since, as I mentioned before, I AM NOT INTERESTED. For anybody worried about the economy, I would like to point out that Verizon is both making money and spending money. They aren't asking for a government bailout, they are asking you to upgrade to their system. Of course, Comcast, their biggest competitor in this area, has a similar package. And they also try like hell to get you to sign up for it. It makes me wonder how big those margins really are. They must be really big for there to be a decent ROI (return on investment) on this.

Churches...advertising?

OK...now I have heard all types of advertising. I am listening to a rock station here in DC and a local church just advertised its "services" (almost a wordplay, right?). The speaker (hard to say if it was the pastor) quoted, get this, the SPICE GIRLS (about stuff in your past). If this is not a naked attempt to appeal to a younger set, I don't know what is. In any case, the speaker informs us that therapy and/or drugs can never help us get rid of guilt—only forgiveness can (of course one can forgive or be forgiven through the help of therapy, but whatever). And then, he tells us to go to a website to learn more. Now, I have heard of membership drives and spreading the word, but I truly haven't heard a church advertise on a mainstream radio station. This tells me two things—the church is seeking to increase its membership from a certain age demographic and the church has decided to do things in a more 21st Century fashion—get them where they

are. Interesting. I would be very interested in knowing if this type of appeal works. In theory, it should, at least stimulate some interest. I wonder if the church hired an ad agency, or a pr agency. This certainly is part of larger recruiting campaign.

It's a new day

That's the name of a new song by Will.I.Am (most clever singer name ever, IMO). But it is also a new day in marketing. Marketers are trying to find new ways of doing old things—that is, getting people in the door (and better yet, to make a purchase). A couple of stories in the *Washington Post* this week make this point. In today's post, there is an article about a trend toward retailers creating an emotional connection with shoppers and also having gatherings in stores, to get people literally in the door. Although this is not new per se, it's application is. It seems that generalized advertising is just not doing the trick. Marketers think that by encouraging positive contact and context, consumers will part with their money.

The other story (which I cannot for the life of me find on line to link to) is one regarding credit card and other offers by mail. It seems that, finally, issuers of these offers are cutting back. Although I do think that direct marketing can be a good way to reach a target audience, I think unsolicited and unwanted credit card offers do little more than sully the environment further. This trend has much to do with the availability of credit as well. The article also reports that Neiman Marcus is cutting back on its famous Christmas catalog—sending out fewer copies and making it thinner.