

Marketing Throughout the Enterprise

Tudog has long insisted that marketing considerations need to be taken into account at every stage of a company's operations. Our Inside-Outside business model discusses the need to evaluate all aspects of a company and make sure that every section is operating in a manner that advances the marketing objectives of the company. This is because, when all is said and done, the sole justification for the existence of a company is to market its wares.

To emphasize our views, Tudog has decided to review how the relationship between marketing and various other company function should be:

Marketing & Research & Development

The objective of the R&D team is to create a product or technology that can be sold in the larger marketplace. Its capacity to be sold will be a direct function of the extent to which it answers to a number of critical market factors, such as need, benefit, and competition. If marketing considerations are not incorporated at the beginning of the R&D process, and not maintained throughout the process, the company runs the risk of trying to bring to market a product not needed and not wanted.

Marketing & Sales

A source of great confusion, marketing and sales are not the same functions and should not be performed by the same people. Marketing creates the environment within which the sales force operates. From positioning to pricing, from message to monitoring, the marketing team is there to provide the sales people with the tools and information it needs to cut the deals. The relationship between the two is mutually dependent and therefore the communications between them needs to be free flowing and consistent.

Marketing & Accounting

The relationship here may not be apparent to many, yet the reason for the accounting department in an enterprise is directly related to the sales of the company, which are, in turn, directly related to marketing. The role of the accounting department, namely the issuance and payment of bills, can also have a direct affect on marketing because of its direct contact with customers. The possibility that customer service could be compromised by the accounting department demonstrates how even this remote function (in terms of marketing) within the enterprise could have a dire consequence as it relates to marketing.

Marketing & Finance

There are two primary aspects of the relationship between marketing and finance. On the finance side, the finance department seeks to keep the marketing folks accountable to the money they spend and try to hold them to some semblance of ROI. This affects the marketing because it forces the marketing staff to carefully allocate their resources. On the marketing side, the finance department can adversely affect marketing (and

indeed the entire revenue base of the company) by failing to place sufficient emphasis on marketing and by failing to allocate sufficient funds.

Marketing & Manufacturing

Marketing touches the manufacturing side of a business because it is not uncommon for the marketing team to develop special buying programs, incentive programs, and other promotions that can, if not properly coordinated, reap havoc on manufacturing. Without proper communication product may not be produced in sufficient quantities to support a promotion (leaving dissatisfied customers), or may run into production cost increases (leaving dissatisfied management). Therefore, marketing and manufacturing need to interact so that they can plan promotions, maximizing both production efficiencies and market impact.

Marketing & Logistics

Logistics typically control the delivery of goods. Often a marketing program will include elements of delivery, meaning that a failure to fulfill a timetable could lead to unhappy customers. Again, with proper coordination, these issues can be (and should be) easily dealt with.

Marketing & Purchasing

Sometimes, while the marketing people are building brands that promise certain attributes, the purchasing department is cutting costs by buying materials that inherently cannot meet the attributes being promised by the company's marketing campaign. Clearly this can cause not only dissatisfaction, but also a crisis of confidence in the company and all it stands for. Therefore, communication between purchasing and marketing is essential.

The idea that marketing is a secondary function within an enterprise is not only erroneous, it is dangerous. Sure, everything is controlled by the dollars and sense, but that does not mean that financial considerations alone should rule the board room. The dependency of the company on successful marketing means that marketing considerations, within the confines of financial considerations, should reign supreme.
