

# Marketing: a paradigm shift in the offing

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**T**HE profession of marketing has been reduced to the new age equivalent of quackery in the eyes of the general population. According to a proprietary study done by Yankelovich Partners, marketing has a negative connotation attached to it by the general population. Average Joe is more likely to associate marketers with unwanted spam filling their mailbox and annoying telemarketers interrupting family dinners than key players in organisational growth.

Marketers themselves are somewhat to blame for inciting this level of customer resistance. At any given point of time, consumers are bombarded with TV ads, internet ads, spam mails, intrusive ads, annoying telemarketing campaigns and countless other forms invading the targeted consumer's space. It is little wonder that the current generation has a five-second attention span considering they are being hammered with as many ads within that period of time. Unscrupulous strategies such as planned obsolescence, dumping, high pressure selling, bait and switch tactics and deceptive pricing have not helped the cause either.

The Machiavellian concept of most marketers to do whatever it takes to maximise shareholder wealth has led to a view of marketers being further associated as people who prey on weaknesses and fears. Within the organisation there is constant scepticism on whether it is a valid profession or the domain of self important charlatans with flexible morals. Marketers are themselves in constant internal strife as to whether marketing should be a fundamental strategic part of organisational growth or a customer facing function.

While some of the negative press on marketing is deserved, it is not all gloom and doom. Modern marketing at the heart of it focuses on stakeholder wants and needs and attempts to fulfil them. The rise of capitalism and free market economies can largely be attributed to successful and effective marketing. The hard truth of the matter is marketing works and works very well. Furthermore much of the negative conno-



Professor Philip Kotler, the most influential marketer, has masterminded the World Marketing Summit that begins in Dhaka on March 1.

tations associated with marketing are largely due to hard sell campaigns and the delivery channels marketing messages disseminated through and little to do with most modern marketing approaches and strategies.

Modern organisations have realised that they need to move away from the concept of just shareholder profit maximisation towards the maximisation of stakeholder benefits. As a key stakeholder customers have moved on from being a means to an end to a key value driver in the eyes of a marketer. Large organisations like Apple have moved on to a customer centric model and it has paid large dividends. Increasingly companies have resorted to creative yet strategically targeted campaigns that involve the general population using guerilla marketing, crowd sourcing and viral marketing and other innovative solutions. Most of these campaigns have been operated on a shoe string budget and have been able to capture the attention span of an increasingly fickle consumer base.

The future of marketing is likely to bank on the power of social media and increasingly more creative ways of engaging the consumer without being overly intrusive. The consumer, which has already been acknowledged as an all-important value driver for the organisation, is likely to be more and more involved and made part of an organisation's marketing campaign and strategy.

Social marketing takes the people centric view of modern marketers one step further by taking a cue from marketing's core value of identifying human wants and needs and attempting to apply that to achieve specific behavioral goals for human good. Social marketing began as a formal discipline in 1971 with the publication of "Social Marketing: An Approach to Planned Social Change" in the Journal of Marketing by marketing experts Philip Kotler and Gerald Zaltman.

The World Marketing Summit aims to take the concept of social marketing one step fur-

ther by providing a platform for the world's best marketers to get together and provide solutions to some of the world's most pressing problems. World Marketing Summit (WMS) is an initiative of World's most influential marketer Professor Philip Kotler with the mission of creating a Better World through Marketing. Through strategic partners, WMS intends to bring about a monumental shift in social marketing and bring it to the forefront of development work. Professor Kotler, with representatives from Canada and Bangladesh and the support of the government of Bangladesh, has been encouraged to embark on this journey in 2012. Although primarily designed to target the bottom of the pyramid (poorest four billion people in the world) the summit will also attempt to solve the problems that plague developed nations.

The WMS will not only provide a platform for marketing's best thinkers to share their views but also will serve to connect research hubs (aptly dubbed incubators as they will be hubs where ideas will be formulated and hatched) which will implement the ideas and models that are shared at the summit. This novel concept ensures that the ideas generated at the summit do not die as soon as they are conceived rather they are implemented and monitored to verify if they are successful.

The summit will take place on March 1-3 in Dhaka at Bangabandhu International Conference Centre. More than 60 speakers including heads of state, marketing gurus and other prominent global personalities will take center stage at the summit. It will also feature 10 incubator plenary sessions, 12 general plenary sessions, 10 CEO roundtables and a Local & Global Marketing Best Practices Experience Zone.

The days of marketing being associated with quackery may indeed be over as it is poised now to make strides not only in organisational growth but in the development of the world. Recognised as one of the key drivers of organisational growth, marketing is now poised to be one of the driving forces of global change.

The writer is the managing director of World Marketing Summit.

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## Davos elite's largesse fails to appease critics

REUTERS, DAVOS, Switzerland

**U**NDER-fire businessmen are falling over themselves in Davos to show how sharing and caring they really are as they try to repair the tarnished image of the privileged "1 percent" but their detractors remain unconvinced.

"CEOs have a bigger job than ever because they both have to perform for their shareholders and perform for the world at large," said Mark Penn, chief executive of public relations firm Burson-Marsteller who advises top executives and politicians.

"For the clients I work with today, every one of them understands that companies have to be socially responsible... This has gone from something that a lot of companies dismissed to recognised table stakes for every company."

Senior managers at the World Economic Forum (WEF) are debating what they can do to help address recent social unrest fuelled by the economic crisis as indebted governments cut spending and raise taxes to try to balance their budgets.

"There is a big push from this generation to go beyond profit," Liesel Pritzker Simmons, heiress to the Hyatt hotel fortune, said at a lunch event in Davos hosted by Swiss bank Credit Suisse to discuss trends in philanthropy.

"It's not just that it is the flavour of the month or that it's cool. After experiencing the recent crisis at a relatively young age, I don't have confidence in traditional capital markets," said Pritzker, who helps run an educational charity.

JPMorgan Chase & Co Chief Executive Jamie Dimon attributed noble motives to his bank's decision not to pull out of investments in the troubled euro zone, saying the commitment "was largely social, and partially economic".

A study released this week by the Edelman public relations firm showed that trust in chief executives fell 12 points to 38 percent, its biggest drop in nine years, although confidence in government officials was even lower on only 29 percent.

"Business is now better placed than government to lead the way out of the trust crisis," said Richard Edelman. "But the balance must change so that business is seen



Christine Lagarde (R), managing director of International Monetary Fund, shows her bag next to Donald Tsang of Hong Kong, as she talks about the global economic outlook yesterday during the World Economic Forum in the congress centre of the Swiss resort of Davos.

both as a force for good and an engine for profit."

Among the companies putting their money where their mouth is in Davos is Dutch food and chemicals group DSM, which announced on Thursday it was donating \$1 million to the World Food Programme (WFP) to help fortify rice with vitamins.

"With almost one billion people going to bed hungry every night, it is more important than ever before that we leverage private sector expertise to provide vulnerable populations with the right food," said WFP Executive Director Josette Sheeran.

Philanthropist-in-chief Bill Gates pledged a further \$750 million to the troubled global AIDS fund on Thursday.

But Occupy protesters camping in igloos in Davos, who were turned back on Friday when they tried to enter the forum conference centre, are not convinced.

"I don't think these people are genuinely evil or bad. But this isn't the solution. We should empower people and not make them dependent on philanthropy," said activist Laurent Moeri. "Social corporate responsibility is just a way to attract customers. I'm very ambiguous about that."

Klaus Kleinfeld, head of US aluminium

producer Alcoa, said businesses should not pretend to be good corporate citizens if they are not: "You will be quickly found out."

Leftist and environmental campaigners named British bank Barclays and Brazilian mining company Vale as the winners of an annual award in Davos on Friday for the worst case of corporate misbehaviour.

"It is not fair to paint all corporations with exactly the same brush," said Kumi Naidoo, head of Greenpeace International.

"But on balance, at best corporations are taking baby steps in the right direction. At worst, they are pulling back and preventing movement on human rights and particularly on environment and climate change."

The campaigners accused Barclays of pushing up global food prices by speculating on commodity markets. They said Vale was responsible for human rights abuses, inhumane working conditions and environmental damage.

Barclays Capital denied it was responsible for rising food prices: "A considerable number of studies have demonstrated that financial flows have little or no impact on commodities prices. The factors influencing food prices are complex and multiple."

## World leaders slam eurozone foot-dragging on debt crisis

AFP, DAVOS, Switzerland

**T**HE eurozone's debt burden hung heavily over Davos on Saturday as global economic leaders turned their fire on EU politicians for failing to come to grips with the crisis.

At the forefront of concerns were write-down talks in Greece, which had dragged into the weekend and now threaten to overshadow an EU summit on Monday designed to showcase the continent's plans to escape the debt trap.

But senior officials from outside the eurozone also argued Europe has not got on top of the long-term problems undermining the single currency, and needs to move further and faster in integrating eurozone economies.

"The fact that we're still, at the start of 2012, talking about Greece again is a sign that this problem has not been dealt with," British finance minister George Osborne told a public panel of senior finance officials.

"The danger here is that the tail wags the dog throughout this crisis, in other words the inability to deal with the specific problems in the periphery causes shockwaves across the whole European economy and the world economy."

Canada's central bank chief Mark Carney, who chairs the international bank regulator the Financial Stability Board, said Europe's woes were holding back the recovery and had effectively cut global growth by one percent.

European and eurozone officials at the World Economic Forum, an annual get-together of the great and the good in global business and politics, have spent the weeks attempting to drum up optimism on the debt talks.

But as the five-day talking shop drew to an end, Greek leaders were still locked in talks with private lenders over the details of a plan to wipe 100 billion euros from their sovereign debt -- and thus avoid a messy default.

And another dispute was looming, as European officials said that Germany was pushing for the European Commission to take control of the Greek budget, and Athens sources hit back angrily, dubbing this "out of the question".

The drawn-out talks have undermined attempts to contain the crisis and shore up bigger eurozone economies, to the frustration of leaders from the emerging econo-



World Bank President Robert B Zoellick at the World Economic Forum in Davos.

mies and the rest of the developed world.

"You need decisive action. You need overkill. Confidence must come from decisive actions from governments," declared Donald Tsang, chief executive of Hong Kong's autonomous regional administration.

"Two months ago in Greece you could make do with a 20 percent haircut, now even 50 percent is not easy. Maybe 70 percent is needed, so do it quickly. You need resolution and decisiveness."

A Greek finance ministry official reported "great progress concerning technical and legal matters" but said there "is still a lot of work left to do", leaving it open as to whether there would be a deal this week.

World Bank chief Robert Zoellick praised the European Central Bank for increasing liquidity for eurozone banks to enable them to buy more sovereign debt, but warned that this could only be a stop-gap measure.

"I'm glad the ECB took action. But this buys time, you still have to act," he said, as the world waits to see if Monday's summit will produce agreement on a new "fiscal compact" setting in stone the bloc's deficit-cutting strategy.

"No-one is immune in the current situation. It's not just a eurozone crisis it's a crisis that could have collateral, spillover effects in the rest of the world," IMF director Christine Lagarde warned delegates.

"Now is the time. There has been a lot of pressure building in order to see a solution come about," she said, urging International Monetary Fund members to give her the 500 billion dollars she needs to stock as a bail-out fund.