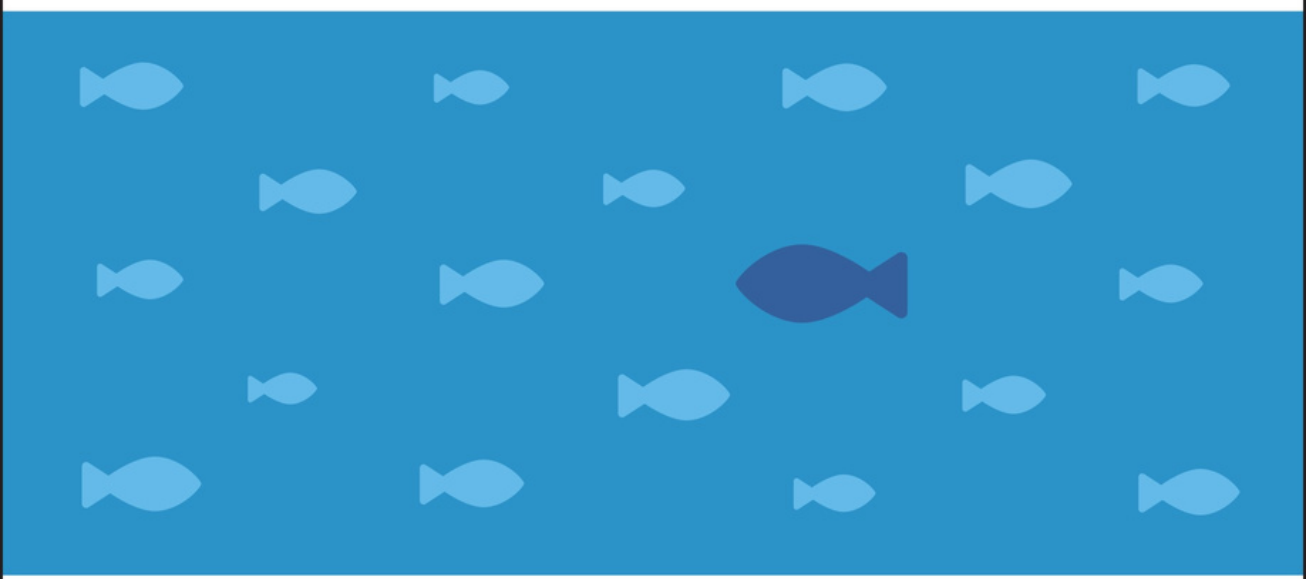
UPSTREAM MARKETING

UNLOCK GROWTH USING
THE COMBINED PRINCIPLES OF
INSIGHT + IDENTITY + INNOVATION



TIM KOELZER & KRISTIN KURTH

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CHAPTER 9

UPSTREAM MARKETING APPLICATION

"Everyone who's ever taken a shower has had an idea. It's the person who gets out of the shower, dries off, and does something about it who makes a difference."

—Nolan Bushnell, *entrepreneur and engineer, Atari and Chuck E. Cheese*

"Everyone has a plan until they get punched in the mouth."

—Mike Tyson, *boxer*

"Plans are worthless, but planning is everything."

—Dwight D. Eisenhower, *34th US President*

IN WRITING *UPSTREAM MARKETING*, EQUIBRAND team members have engaged with hundreds of executives across dozens of categories and industries.

Occasionally, we are asked: "I see how these principles apply to (insert other industry), but will they apply to (insert my industry)?" Potential clients say their customers make purchase decisions solely on price, explain how external factors affect their ability to compete, or declare their industry truly commoditized.

Our answer? Yes, each situation is unique, and yes, upstream marketing still applies. The only common thread across our existing clients is that they are different.

Categories we've applied upstream marketing to include consumer products and services, financial services, health care, industrial products, medical devices, technology, and many others. Some companies are well established. Others are in startup mode. Across industries, there is a range of short and long product development cycles.

In some cases, it's relatively easy to launch prototypes or minimum viable products (MVPs). In others, the cost of developing a physical prototype is prohibitive, with substantial investment required in materials, machinery, and operations.

Here are a few examples of how upstream marketing varies by industry, drawing from our client experiences.

Software development is unique in that new product concepts can often be mocked-up on a computer screen, with the backend replicated to demonstrate functionality.

In these cases, it's straightforward to develop prototypes, beta products, and MVPs to obtain feedback. Prototypes can be iterated until the product is right, before and even after launch.

Apparel companies think in terms of seasons, and therefore continuously look for innovation within a short time frame. For them, trend research—in fabric, design, and color—is a key to business success.

Historically, there were two fashion seasons: spring/summer and fall/winter. Now, certain brands release fifty-two "micro-seasons" annually, which requires rapid-fire concept iteration.

By contrast, automotive companies have long product development cycles. They need to forecast today what the market might look like at launch five or so years from now. What's the future impact of new technologies, demographic shifts, and forecasted fuel prices? They invest in answering these questions through modeling and prototypes to gain market feedback.

Medical device companies have extended development timelines, where the route from an initial idea to a finished, market-ready product can take a half dozen years or more. Getting a medical device approved by the Food and Drug Administration (FDA) places stringent requirements on manufacturers. Specific medical devices—like heart valves and defibrillators—require testing the implants with pigs and sheep before first-in-human studies. A minimum viable product is not an option.

Professional service firms can often test new service enhancements in a pilot setting before a full-scale rollout. In these and other cases, innovation cost and time to market can be very short.

On the other hand, financial services, utility, and health-care companies are often highly regulated, which introduces a host of issues in obtaining market feedback on new concepts.

Below are some real-world upstream marketing cases. While each case is distinct from the others in scope, industry focus, and issue addressed, they all demonstrate the power of insight, identity, and innovation.

Also, company names and case facts have been omitted to protect client confidentiality.

UPSTREAM MARKETING CASE EXAMPLES

Determining Growth Opportunity Areas

CHALLENGE

The leading weekly magazine for celebrity and human-interest stories was under attack from new, lower-priced competitors and a shift toward digital media. The company sought an innovation strategy, process, and specific growth ideas to focus and grow its business.

SOLUTION

Our team worked with the client team in real time to create and pilot upstream marketing. The approach included assessing the current situation, developing an innovation strategy and plan, and working through process steps.

During the internal assessment, we found the brand did not lack for new growth ideas—in fact, the opposite was true. While the company had a strong brand, it had not solidified its value proposition or positioning. With no guardrails to guide innovation, there were almost *too many* brand extension ideas, which risked diluting the brand's equity.

Focusing innovation required developing a relevant and distinctive value proposition framework, then using it to screen ideas. The company's value proposition included these unique brand benefits:

- A cultural source of celebrity and real-life people stories and information
- Journalistic integrity, compared with lower-priced tabloids that ran pure celebrity gossip with less-than-credible headlines
- Entertainment access and exclusive interviews, preferred by celebrity publicists over other titles

Each of these elements was considered in solidifying the brand's value proposition, then used to screen concepts using a Harvey ball analysis.

RESULT

The solidified value proposition and positioning were used to prioritize strategic opportunity areas (to whom and for what) and related innovation concepts (how to win). This screening resulted in fewer, stronger growth concepts. Over time, new initiatives were launched and the company's positioning as a cultural force solidified, allowing

it to maintain its leadership and premium pricing, in both online and traditional print environments.

Growing Through Improved Marketing

CHALLENGE

Led by a Stanford-educated plastic surgeon and classically-trained Stanford MBA brand marketer, a leading medical spa was looking to update its brand identity and establish an upstream marketing strategy and plan to fuel growth.

SOLUTION

We used in-depth exploratory research to understand patient attitudes, needs, and behaviors. Projective techniques, including "letters to my body," helped uncover both rational and emotional drivers.

We mapped the consumer decision journey across touchpoints, including pre-purchase, purchase, and post-purchase elements. Then we used concept iteration to confirm the positioning. A digital marketing strategy and plan was developed, drawing on consumer research, keyword research, and marketing analytics.

RESULT

Consumer brand touchpoints—across collateral, website, email, signage, and in-store materials—were redesigned and brought to life through client testimonials and original photography.

A new website was launched, resulting in a doubling of website traffic and a 50 percent reduction in cost per lead, stemming from improved search engine optimization and pay-per-click campaign planning.

The brand continues to expand locations and grow through a consumer-directed, upstream marketing approach.

Positioning a New Product

CHALLENGE

An established medical device company developed a new-to-the-world heart valve that required changes to how cardiac surgeons performed procedures.

While the treatment provided an attractive alternative to conventional approaches, it was challenging to perform and required new surgical training.

The product and therapy needed an effective launch positioning, including defining the target population, framing the category, and confirming benefits and reasons to believe.

SOLUTION

Project steps included assessing the situation, segmenting physicians, and iterating strategic concepts. Exploratory research identified a physician target who, while interested in the new therapy, also needed reassurance, given the new, unproven treatment. A key question needed to be answered first: How should this new therapy be positioned relative to other existing heart valve therapies?

Through concept optimization, we explored alternative ways to frame the new category, recognizing that customers try to "place" a product in an existing category for context.

This framing revealed similarities and differences compared to existing and emerging offerings. Referencing conventional and emerging heart valve therapies provided a "best of both worlds" sense of comfort—that the heart valve was built on a proven platform.

These ideas were included in the product and category launch positioning, as well as visual and messaging concepts.

RESULT

After the trial results, the product was successfully launched in both Europe and the United States. The launch solidified the parent company as the industry leader, providing new therapies and training for cardiac surgeons to extend their capabilities into new medical procedures.

Developing a Strategy for a New Offering

CHALLENGE

The leading semiconductor chip maker and its business partners were looking to launch an integrated solution in the emerging Internet of Things (IoT) market space.

The issue? Market success required a commitment to "the common good." As a group, though, they lacked a shared vision and strategy, and any single company could not create the IoT future alone.

SOLUTION

Developing the solution required working across partner companies (computer processing, hardware, software, networks, and services) as each company played a role in IoT integration. Upstream marketing provided the framework and structure to get consensus and create real-time deliverables through a collaborative, facilitated workshop approach.

Prior to the strategy sessions, we interviewed partner companies and conducted desk research to understand potential gain and pain points.

We synthesized the inputs into a situation assessment and strawman deliverables across demand framework, business model, and positioning perspectives.

We used expert facilitation to establish an aspirational future state and draft an upstream marketing strategy and action items to kick off integrated planning.

RESULT

The collaborative approach established critical relationships and demonstrated the group's potential in working together. The partner companies jointly developed an initial upstream marketing strategy and plan, including prioritized action items, responsibilities, and timing.

Working backward, the group achieved a shared commitment to marketing new IoT products based on group identification and resolution of key marketing issues in moving toward launch.

Extending a Brand to a New Category

CHALLENGE

A leading insurance company wanted to extend its brand beyond traditional insurance offerings (auto, home, and life) to encompass a broader set of financial services, including retirement planning, investment management, and trust services.

Given the company's insurance roots, its brand image anchored on risk management and protection—benefits incongruent with growth investing. Along with a name change—dropping "insurance" from the moniker—the company sought to refine its business proposition and solidify its position in a new category.

SOLUTION

We conducted exploratory research to understand customers' financial security needs and brand perceptions compared to insurance.

Concept statements (initially "unbranded") enabled us to probe customers' financial needs. Once we understood basic needs, we revised concepts to include the client brand name to assess its impact. Did adding the brand name improve or detract from concept appeal? How then should the company position the brand and its expanded role?

Research with existing insurance customers confirmed that many viewed financial services as intimidating and only for wealthy people.

Based on this insight, we created financial-focused concepts to probe deeper. One concept anchored on customers' current financial situations and putting them in control ("No matter where you're starting from, you can obtain financial security.") Another touted a tangible financial plan.

Both areas were worked into the recommended value proposition, positioning, and messaging. Next, we used cross-functional workshops to prepare go-to-market strategies and new communication materials.

RESULT

Adopting the expanded value proposition and promise helped solidify the company's positioning as offering financial security, including a full suite of services.

The project expanded brand associations to improve target customer relevance. The company made changes in company operations, agent training and licensing, and marketing communication materials to support its new positioning.

UPSTREAM MARKETING'S IMPACT

Over the years, we've helped a wide array of clients unlock growth through upstream marketing. Sometimes, a particular issue needs to be addressed—innovation has stalled, growth is suffering, or the organization lacks strategic direction.

In other cases, there is a general desire to grow, with a need for more significant structure and discipline.

Some of our clients have fully embraced upstream marketing, while others are just getting started.

Not surprisingly, the best companies are often the most self-critical. They continually monitor their market position, push themselves to obtain a new future state, and embrace upstream marketing to get there.

Regardless of the starting point, upstream marketing can always be improved. Here are twenty questions—grouped into insight, identity, innovation and integration—to consider for your own organization.

Principle 1: Insight

1. HOW DO YOU DEFINE THE BUSINESS IN WHICH YOU COMPETE?

What is your organization's core purpose? *Why* do you do what you do? Do you define the category based on the needs of your customers or the products you sell? Looking at the business through the eyes of the customer results in more expansive thinking and can help you redefine the playing field.

After defining your market space, think broadly about strategic opportunity areas. *To whom* should you focus and *for what* set of needs? You can use any number of market-based tools and techniques to think about and uncover potential growth areas.

2. WHAT DO YOU KNOW ABOUT YOUR IMPORTANT CUSTOMERS THAT YOUR COMPETITORS DON'T KNOW?

If you don't know who your most valuable customers are or cannot list at least three key insights, that's a problem. Customer obsession and maniacal focus are vital to upstream marketing—it is *the mechanism* for driving growth. So, immerse yourself in the customer experience and look at the business through their eyes.

If you could ask customers or prospects ten questions about their needs and your brand, what would you ask? List the issues, get out of the office, and talk to potential buyers. Alternatively, hire an outside firm to do the legwork. The important thing? Just do it. The insight will prove invaluable.

3. ARE YOU INVESTING IN PROPRIETARY INSIGHTS TO UNLOCK GROWTH?

Don't be fooled by those who cast aside customer research as unimportant. We hear all the time about the flaws of market research—no consumer ever asked for such-and-such invention. People who wanted a faster horse couldn't contemplate the Ford Model T. Researchers in libraries never thought to ask for the Internet. Couch potatoes never envisioned Netflix, with instant access to its array of video content.

However, consumers have always had specific needs—safer and faster transportation, access to organized information, more and better entertainment.

Use whatever terms you like—customer wants, needs, demand spaces, benefits sought, jobs to be done, gain points, pain points, friction points. The key is to ask the right questions and combine this with marketplace and technical insight to solve problems. To win, you need maniacal focus on the customer, because that's where the insights lie.

4. DO YOU HAVE A CUSTOMER DEMAND FRAMEWORK, AND HOW ARE YOU SEGMENTING OPPORTUNITIES, IF AT ALL?

Not all customers are the same, so prioritize and market to groups with similar preferences. A customer framework helps determine both *to whom* you should target your brand and *for what* particular need state. It's a simple, yet powerful concept.

A useful framework can be as basic as listing customer groups across the top (to whom), and needs, benefits sought, and opportunities down the side (for what).

From there, pursue the identified new market spaces. The framework doesn't have to be elaborate or quantified, but it should reflect customer insight and signal potential growth areas.

5. IS THERE A MECHANISM IN PLACE TO REGULARLY INFUSE CUSTOMER, MARKETPLACE, AND TECHNICAL INSIGHT INTO YOUR GROWTH PLANNING?

Get in the habit of getting out of the office and immersing yourself in the customer experience. Do this informally or through a variety of research methods. Practically, if you're in a category that tracks consumer reviews through Amazon, Yelp, or TripAdvisor, start there. Or monitor social listening platforms that integrate Twitter, Facebook, Instagram, and LinkedIn.

Net Promoter Score is another tool to track performance over time, using a simple question: "On a scale of zero to ten, how likely are you to recommend our business to a friend or colleague?"

While tools are a great start, they need to be followed up with other questions, namely "Why?" for deeper insight. Finally, make sure to integrate customer, marketplace, and technical insight. This clarity trifecta is where uncontested market space opportunities emerge.

Principle 2: Identity

6. DOES YOUR COMPANY HAVE AN EXECUTIVE-LEVEL COMMITMENT TO THE IDENTITY PRINCIPLE IN DRIVING GROWTH?

While many C-level executives embrace the principles of insight and innovation, identity is a squishier concept, with benefits harder to quantify.

Skills required to create brands—creativity, design, and brand strategy—are often missing from the boardroom. As a result, brand identity gets relegated to the "marcom" department, treated as a cost with an unclear return on investment.

Elevating the brand to a boardroom topic is critical, and there are a few ways to do this. First, conduct an internal brand audit to compare existing materials to competitors' and best practice companies.

Next, talk to customers to see how they view your brands—are they relevant and distinctive? Finally, ask senior executives if brand efforts support what they're trying to achieve. If any of these check-ins signal opportunities, consider revisiting brand development.

7. HAVE YOU DEFINED YOUR VALUE PROPOSITION IN TERMS OF THE BENEFITS YOUR BRAND SHOULD STAND FOR AND DELIVER ON?

Many companies create corporate-level statements—mission, vision, and values—but stop there. These statements help define an organization's purpose but do little to drive sales. Ideally, companies would apply the same rigor to value proposition development. After all, value propositions tie to value creation and directly link with sales, profits, and future growth.

In creating new offerings, consider and document the three things that matter—customer needs, value planks, and corporate capabilities. Inventory potential value elements to construct individual value planks and entire value propositions. Brand value is what customers

get for what they pay. Take credit for the full set of benefits provided and market them accordingly.

8. HAVE YOU DEFINED YOUR BRAND STRATEGY, INCLUDING ITS POSITIONING, EXPERIENCE, ARCHITECTURE, AND EXTENSION STRATEGY?

A brand is one of the few things a company can own forever, so be intentional and actively manage it. After years of helping clients build strong brands, we've narrowed in on four high-leverage brand strategy concepts: brand positioning, brand-customer experience, brand architecture, and brand extension. Do these four things well, and you'll establish a strong foundation for downstream marketing efforts.

9. ARE YOU PRESENTING A COMPELLING BRAND IDENTITY THAT ALIGNS COMPANY ASPIRATIONS WITH MARKETPLACE REQUIREMENTS?

Take a step back and look at the business through the eyes of your customer. Pull up your company website, examine product packaging, post marketing materials in a conference room. How is the brand displayed? Is there a clear purpose and identity? Do the brands fit well together? Are there too many of them? Is it clear what your company offers, why it exists, and how it reflects the customer's desires?

If not, creative strategies and tactics may be out of sync. Consider the role of brand strategy and how upstream and downstream marketing can align to deliver a clear, compelling identity.

10. ARE YOU GETTING THE WORD OUT AND ALIGNING YOUR BRAND TOUCHPOINTS WITH THE CUSTOMER EXPERIENCE?

It's one thing to have compelling, differentiated value propositions. It's another to make people aware of them. Customers need to be informed before they can purchase. Many companies have robust

strategies, strong operations, and well-managed product portfolios, but get no credit in the marketplace.

Increasingly, *how* something is communicated and delivered can be as important as *what's* offered. After creating the offer, define and develop a clear go-to-market strategy and plan.

Make it easy for customers to buy from you. Understand the customer decision journey and then map and align brand touchpoints. Elevate the experience. Are you maximizing the value of your end-to-end customer interactions? Or is your brand a light under a basket?

Principle 3: Innovation

11. DO YOU USE AN ITERATIVE APPROACH TO INNOVATION TO OBTAIN INPUT ON HOW TO WIN AND LESSEN RISK?

Concept optimization is a central tenet of upstream marketing. The key steps—deep dive, ideation, concept optimization, and launch and learn—build on each other. Prototypes, ranging from whiteboard concepts to minimum viable products, are used to assess customer appeal and improvement opportunities.

In other words, conduct experiments to learn. Benefits of concept iteration include both lower costs (by weeding out bad ideas early) and greater in-market success, as continuous user feedback helps shape the final offering. Go broad to go narrow.

12. DOES YOUR SCREENING OF INNOVATION CONCEPTS ALLOW FOR SQUISHY, LESS RIGOROUS STANDARDS?

A "prove it" mentality can kill innovation, and new business creation requires a separate focus from the core. Breakthrough innovation is unlikely to occur when applying the same financial thresholds and requirements as those of the existing business.

Testing new business concepts should involve enough latitude for ideas to take shape over time. At least initially, use business judgment and subjective screening, with objective measures used closer to launch.

Ask and answer the question, "What would have to be true?" Use a Harvey ball analysis across strategic, customer, financial, and operational screens. As you iterate concepts, certainty about project success or failure becomes clearer. Closer to launch, quantitative surveys can help project in-market performance.

13. DO YOU TAKE A PIPELINE AND PORTFOLIO APPROACH TO MANAGE GROWTH?

Establishing growth objectives and new product roles is a first step in creating an innovation portfolio and pipeline. Consider a diagnostic audit to help set your financial and strategic goals:

- What percent of sales and profits come from offerings that did not exist one, three, or five years ago?
- Are there coverage gaps in product or market segments that might provide growth?
- What are lessons learned from prior innovation hits and misses?

There's no "right" answer. Still, if you're not considering these questions, or if you see peaks and valleys in sales, it may signal improvement opportunities. Your pipeline and portfolio should be strategically managed to ensure a steady stream of products, representing a mix of incremental, substantial, and transformational innovation.

14. DOES YOUR ORGANIZATION SUPPORT THE AIM 'EM, DON'T TAME 'EM INNOVATION PARADOX?

Annual offsite meeting? Check. Bean bag chairs? Check. Dry-erase whiteboard? Check. Ping-pong or foosball table? Check.

Wouldn't it be great if innovation were as easy as replicating startup stereotypes to guarantee success? Unfortunately, innovation is misunderstood and highly complex. Everyone wants innovation, but few know how to achieve it.

Innovation doesn't just happen. It has to be engineered and requires balancing many factors. Aim 'em, don't tame 'em recognizes the paradoxical nature of innovation and the fun and less-fun corporate values needed to fuel it. The lines between these points are fine, and managing them can mean the difference between success and failure.

15. HAVE YOU PLANNED YOUR CULTURE TO PROMOTE INNOVATION AND GROWTH?

Every organization has a culture, but not every organization has a *planned* culture. It's important to be intentional about culture. Otherwise, one may emerge on its own, and it may not be the one you want.

A review of best cultural and organization practices indicates a common set of cultural values these innovators share. They are: focus and obsess about the customer; employ a growth mindset; think big (but start small and fail fast); ensure the best ideas win; and recognize productive failures. Understand and invest in these cultural traits to set yourself up for success.

Now Apply It: Integrate and Execute

16. DO YOU HAVE A CONFIRMED LIST OF STRATEGIC OPPORTUNITY AREAS TO FOCUS YOUR ORGANIZATION?

Here's a simple question to assess innovation commitment: Is there a documented list of confirmed growth areas within the organization? Without a list, it can be challenging to get attention and funding. Without funding, progress stalls.

Take the time to write down individual SOAs in a clear, consistent format and then collate them into a master list that fills the financial growth gap. Verbal descriptions make SOAs tangible and easy to evaluate so they can be prioritized across the organization. They also force focus on benefits.

Having a single list helps highlight gaps or potential overlaps in efforts to better align resources. Once SOAs are selected, appoint team leaders who are adequately resourced and accountable for success.

17. ARE YOU MAXIMIZING THE VALUE OF THE ENTIRE ORGANIZATION IN DRIVING GROWTH?

Innovation is a team sport that requires active participation from a diverse set of individuals. There's truth to the proverb, "If you want to go fast, go alone. If you want to go far, go together."

Ideally, teams are cross-functional and diverse, making the whole greater than the sum of the parts. Cross-functional teams result in better, faster, and cheaper solutions:

- Ideas are triangulated and improved, with solutions emerging from multiple perspectives.
- Speed to market increases as a natural by-product of dedicated, co-located teams.

- Bad ideas are dropped earlier, concentrating resources on higher-potential areas.

At the same time, individual leadership and accountability are necessary. Appoint one person to make critical decisions, so innovation doesn't slip through the cracks when day-to-day firefighting pressures arise.

18. WHEN WAS THE LAST TIME YOUR ORGANIZATION DEVELOPED AND TRADEMARKED A NEW PRODUCT OR SERVICE?

This question is a bit tricky. On the one hand, if your organization hasn't trademarked a new offering lately, it may be a sign you're missing out on organic growth. On the other hand, it is possible to over-brand. Ask yourself, what is the fewest number of brands needed to support the business objectives?

Many organizations suffer from a chaotic brand architecture with too many competing brands and products. If you are not adequately managing and investing in your brands, they can become empty vessels with no meaning, which contributes to confusion. The brand architecture becomes a mess and needs to be cleaned up.

19. IS YOUR ORGANIZATION SILOED IN ITS APPROACH TO GROWTH?

Organizational silos inhibit communication, innovation and growth, which is why many large corporations look to startups for innovation best practices.

Emerging companies tend to have flatter organizations and stay closer to customers, so information flows more freely. Regardless of company size, there are a few ways to overcome silos and operate more nimbly.

First, establish a common purpose and guiding principles so

employees know what's expected of them. Next, create a well-defined upstream marketing process that breaks down silos and streamlines communication. Processes, by their nature, cut across organizations.

Finally, invest in the power of the consumer and get comfortable doing things with only partial information. In deciding whether to turn left or right, turn instead to the consumer. The marketplace should serve as the ultimate tiebreaker when issues surface, and they definitely will.

Jeff Bezos frequently leaves one seat empty at the conference table where Amazon meetings take place to signify the most important person in the room—the customer.[87] The more customer-driven an organization is, the less siloed it will become.

20. ARE YOU MAXIMIZING THE VALUE OF UPSTREAM MARKETING BY FULLY INTEGRATING INSIGHT, IDENTITY, AND INNOVATION?

You cannot achieve excellence in upstream marketing through a single trait—customer-centricity, a strong brand, or a strategic and cultural commitment to innovation. The critical magnifying effect only occurs when the principles are fully integrated. You cannot pick and choose. You must do them all.

As a Monday morning to-do, review and discuss this set of twenty questions with your team. Ask: Have we established to whom, for what? Have we confirmed how to win? What can be improved?

When looking to improve business performance, it can be hard to know where to focus. Fortunately, there is a proven upstream marketing framework to help. Consider piloting upstream marketing as a team—begin with one or two strategic opportunities. The important thing is to get started. Every organization can benefit from integrating and implementing the upstream marketing principles, processes, tips, and tools found here.

UPSTREAM MARKETING AT EQUIBRAND

At EquiBrand, we're strong believers in the power of upstream marketing and try to practice what we preach.

Each year, we take stock of the prior year's performance, consider client insight, evaluate marketplace trends, and chart new growth strategies and plans for upcoming years. This approach has enabled us to expand our business, develop new service offerings, and reposition our brand over time.

Initial Launch

As background, EquiBrand Consulting was founded in 2000 with the objective of delivering upstream marketing services to our client base. In the early years, we applied the methods described here to establish our identity, positioning, and service offerings.

Starting with the end in sight, we first created a basic website with a pull-down menu of services to frame our thinking. At launch, we offered three core service areas: (1) marketing strategy, (2) brand strategy, and (3) innovation consulting.

We also developed our to-whom, for-what model:

- **To whom:** senior-level executives who recognize the value of investing in marketing and brand strategy services
- **For what:** consulting services across marketing, branding, and innovation, fusing an analytical approach with creativity to grow stronger brands and businesses

We deliberately decided to remain functional, rather than industry, specialists and to serve clients from any sector who find our services of value.

This is not how most management consulting firms operate. For example, McKinsey & Company, Bain & Company, the Boston

Consulting Group, and many smaller firms define their consulting services with a functional/industry cut. They may offer salesforce consulting within pharmaceuticals, financial consulting within telecommunications, marketing for business-to-business clients, and so on.

Still, we decided to keep industry focus open for a few reasons. First, EquiBrand partners grew up in consumer-packaged goods with downstream experience, and many clients found this appealing. Second, as a boutique firm, we were constrained in our capacity to offer specific expertise within a particular industry.

Finally, we wanted to remain flexible and establish a minimum viable product—marketing strategy consulting services—knowing we could adapt, change, and improve over time.

Beyond customer insight and focused services, a key driver of our early success included technical insight obtained by investing in Google AdWords (now just Google Ads) as the primary means of marketing our services.

Though the platform was relatively untested in 2001 (launched just a year earlier), we started placing pay-per-click (PPC) ads to attract clients. We reasoned that digital marketing could "level the playing field" and allow us to compete with much larger firms across the globe. Until then, creating awareness with clients required resource-intensive activities like attending conferences, speaking at events, advertising in trade journals, and face-to-face interaction.

Instead, we focused on becoming technically proficient in digital marketing, including pay-per-click advertising and search engine optimization (SEO).

Through our digital marketing expertise, we were able to get a page-one ranking on Google. One of our first inbound leads came from the Textile, Clothing and Footwear Union of Australia, some 8,000 miles away! Later we'd travel to Adelaide, Australia, to meet with client team members and kick off a project.

Within just a couple years of launch, we had a full pipeline and deepened our expertise. Over time, changes in the marketplace resulted in another shift in approach, as described in figure 9.1.

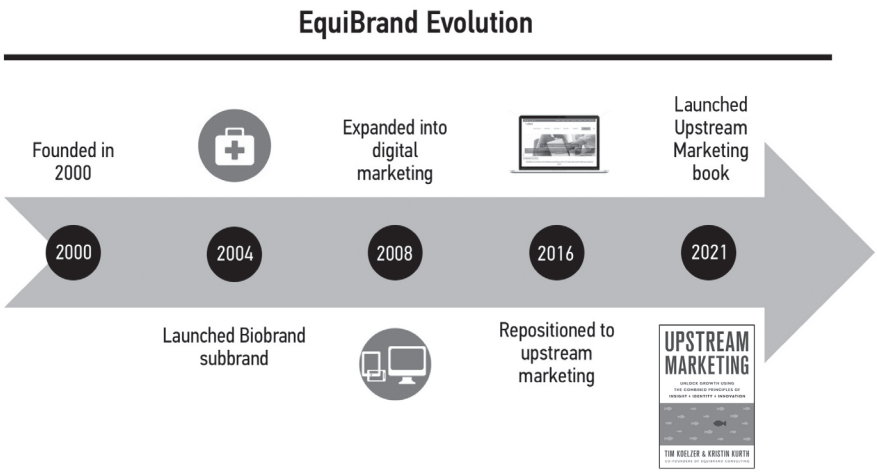


Figure 9.1

Biobrand Creation

In 2004, for example, we reapplied the to-whom, for-what framework to identify new strategic growth opportunity areas.

In the years since launch, we'd gained a number of life-science clients in pharmaceuticals, medical devices, and health care. This in turn attracted similar clients who sought out our specialized knowledge. At the same time, patients and caregivers were taking a more active role in their care, which aligned with our direct-to-consumer expertise. Finally, our marketplace analysis indicated life sciences would continue to grow. Considering these market-based factors, we formalized our commitment to health care, launching a new sub-brand called Biobrand later that year.

Digital Marketing Expansion

A few years later, the Great Recession of 2007–2008 hit, which impacted the market for professional services. Given the choice of hiring outsiders or retaining internal staff, most companies opted for the latter, and spending on consulting evaporated virtually overnight.

Around this same time, traditional management and marketing disciplines were being transformed. The rise of social media, online advertising, digital communication, and the "Amazon effect" significantly impacted how businesses approached marketing. One-to-one marketing—promised for years—became a reality, and money shifted from traditional forms of marketing to digital sources.

We needed to rethink both where to play and how to win. The result? We expanded our service offerings to include digital marketing, drawing on technical insight obtained in marketing our own services.

Competing in digital marketing services required new skill sets across a range of capabilities: digital marketing plan creation, persona development, customer journey mapping, keyword research, off-page and on-page optimization, search engine marketing, and analytics.

Expanding to digital involved changing our downstream marketing as well, including refining our messaging and materials to reflect our new value proposition.

Upstream Marketing Category Creation

Another major strategic shift, beginning around 2016, involved solidifying our position within *upstream marketing* itself. We've had our eye on upstream marketing as a business concept for some time, securing the URL www.upstreammarketing.com back in 2005.

Also, we began to notice competitive shifts within marketing consulting, with ad agencies and marketing companies claiming brand and marketing strategy expertise. This, though, was often a way to sell corporate identity and creative services.

Also, many of these firms were promoting downstream marketing tactics, including social media, as *the* way to grow. This shift prompted at least one frustrated industry practitioner, Tom Doctoroff, to write *Twitter Is Not a Strategy*.[88]

Of course, spring 2020 brought COVID-19 and, along with it, tremendous change. Some industries and companies on the cusp of disruption before COVID-19 did not come back and now look very different on the other side of it. Other organizations were able to pivot to survive.

The need for upstream marketing is even more necessary today as companies seek a way to modify their approach and chart new growth.

Drawing on our intellectual capital and best practice work, we're sharing our upstream marketing tools and frameworks so companies can implement them on their own.

We continue to support upstream marketing through other efforts, including a digital platform for people to exchange ideas and insight. You can visit the site at www.upstreammarketing.com.

Unlock Growth through Upsteam Marketing

After years of helping companies (including our own) grow, we find the critical difference between low-growth and high-growth companies is shaped by their perspective on the role of upstream marketing compared with downstream marketing.

Companies that focus on growing market share on only one playing field wind up over-relying on downstream marketing, which results in lower growth. In comparison, high-growth companies look to redefine the playing field, create uncontested market space, and use insight, identity, and innovation principles to uncover profitable new opportunities.

The strongest brands and businesses are built upstream. The power of upstream marketing is the universal set of principles that

work across industries, organizations, and company size. Apply them to your organization to experience the crucial, combined effect in business growth.

And in the words of Dory from Disney's *Finding Nemo,* "Just keep swimming."

QUESTIONS TO CONSIDER

1. Is your leadership team asking and answering the right strategic questions?
2. Does your organization understand and embrace insight, identity, and innovation principles?
3. Would your organization benefit from developing a deeper understanding of upstream marketing through training, workshops, or other methods?