



UPSTREAM MARKETING

APPLICATION

What are the strongest brands and businesses today?

When you think about marketing excellence... who comes to mind?



amazon



Google



Southwest

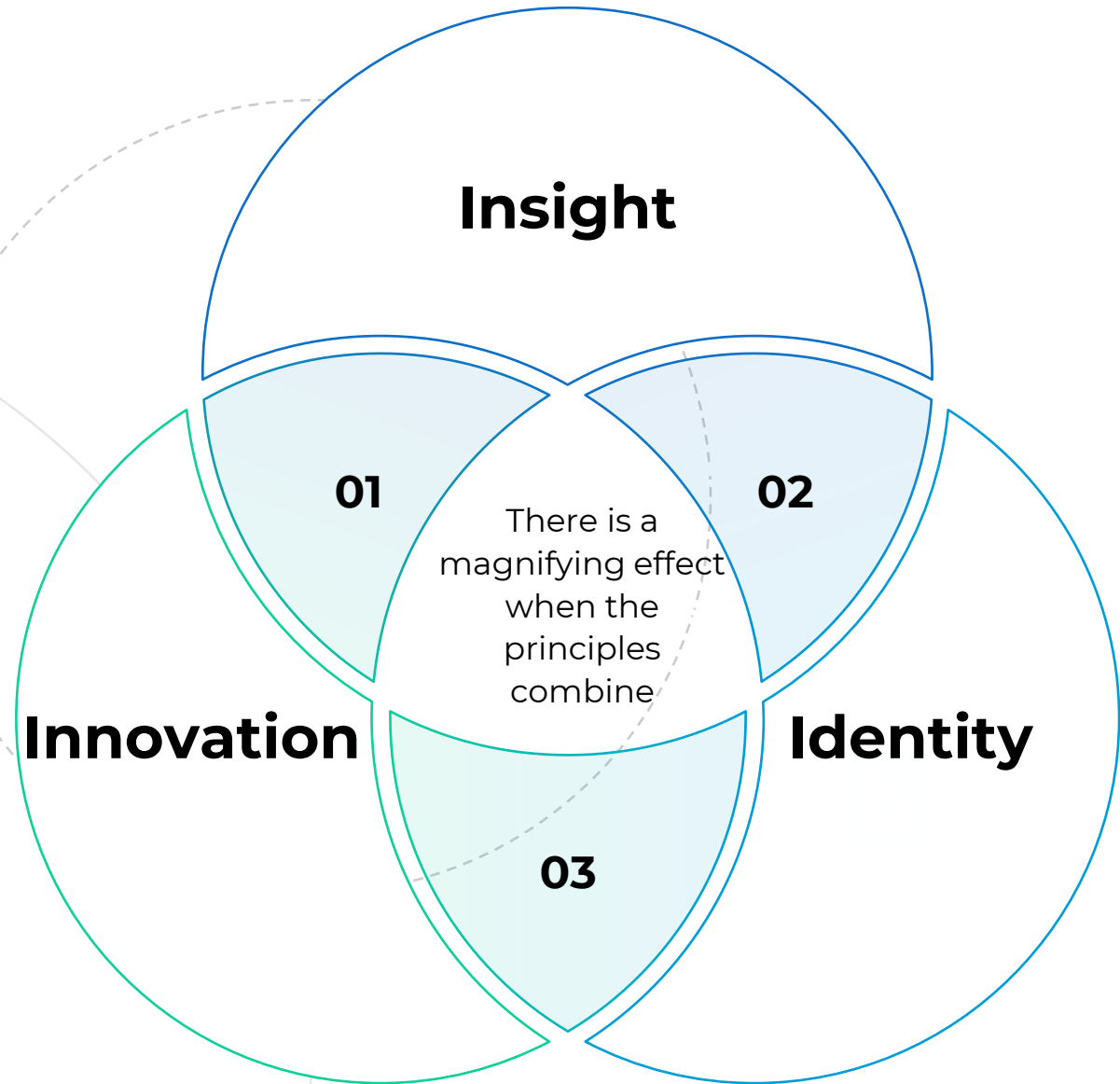


The
WALT DISNEY
Company

How do these companies consistently grow their businesses?

Success Formula:

Insight + Identity + Innovation =
Upstream Marketing, or $1 + 1 + 1 = 4$



They are **built upstream** through the combined principles of insight, identity and innovation

Downstream Marketing vs. Upstream Marketing

Focus Area

Customer Orientation

Defined target segment

Entire customer landscape

Growth Areas

Existing products and services

New products, channels & markets

Approach

Functionally-driven

Principle-based

Organizing Framework

Four P's

vs

Three I's: Insight, Identity, Innovation

Time Horizon

Short-term

Future-focused

Planning Cycles

Too short or too long

Around 90 days

Marketing Orientation

"Make people want things."

"Make things people want."

Three foundational principles

Insight

Gain internal clarity and deep customer understanding

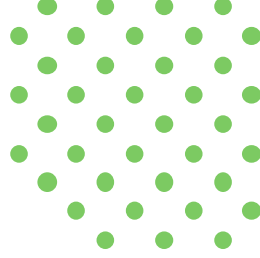
Identity

Build strong value propositions and brands

Innovation

Ensure a continual stream of creative solutions to meet evolving customer needs

Six best practices



Insight	1. Maniacally Focus on the End Consumer. Put customers first and look at the business through their eyes.
Insight	2. Define Your Purpose – To Whom? For What? Develop a customer framework to define the playing field and strategic opportunity areas.
Identity	3. Design and Align Value Propositions. Develop winning offerings at the company, division and product levels.
Identity	4. Build and Extend the Brand through brand positioning, brand-customer experience and brand architecture development
Innovation	5. Create, Test & Learn (Strategy & Process). Deliver a consistent stream of innovation, supported by a flexible, test-and-learn approach.
Innovation	6. Aim ‘Em, Don’t Tame ‘Em (Culture & Organization). Instill a culture that rewards growth, creativity and risk taking.

Nine Upstream Marketing Modules

Upstream Marketing Overview ¹



Why Upstream Marketing?

Pareto Principle or the 80/20 rule

80% of results come from 20% of the effort

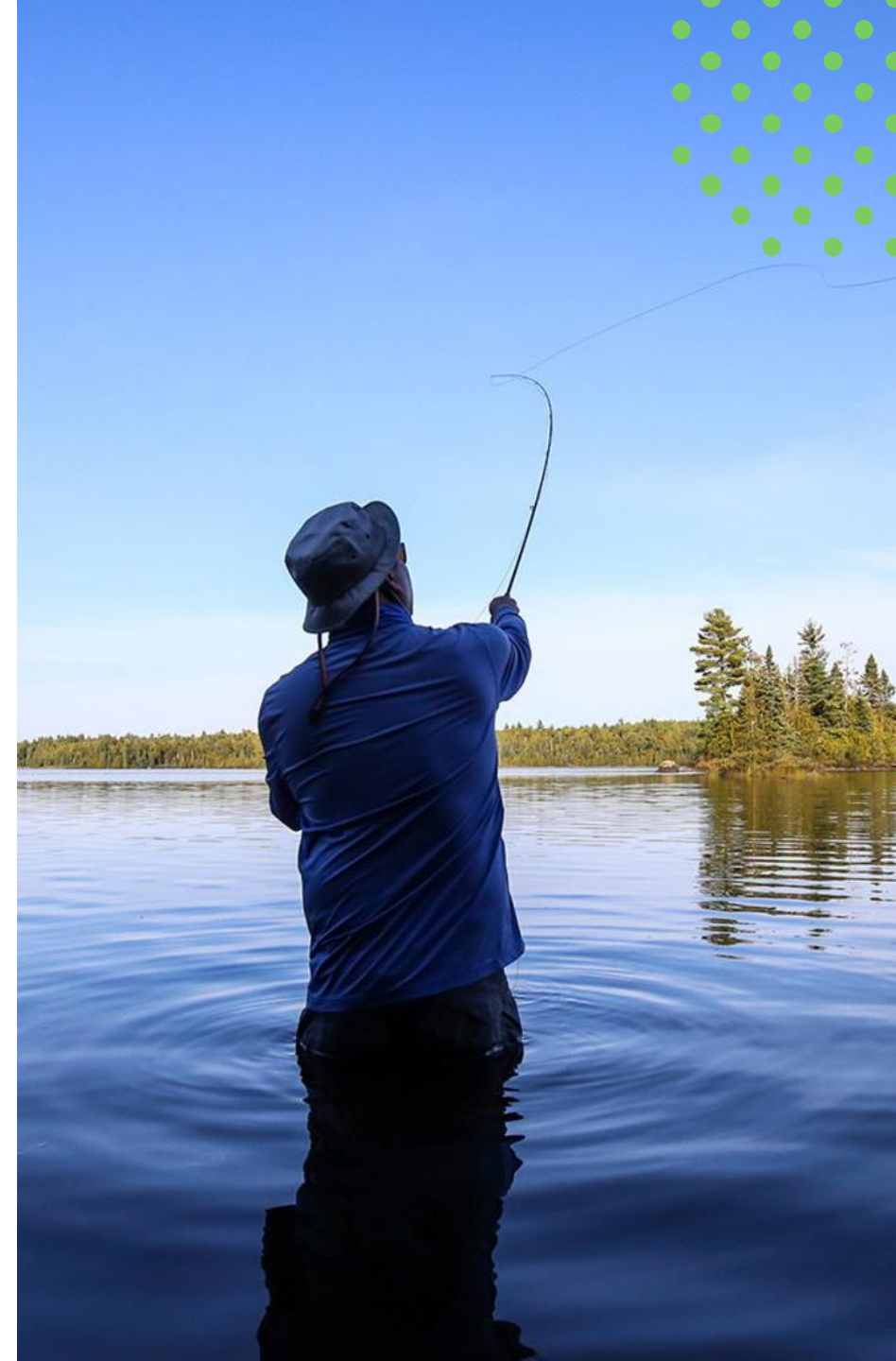


Parkinson's Law

Work expands to fill the time available

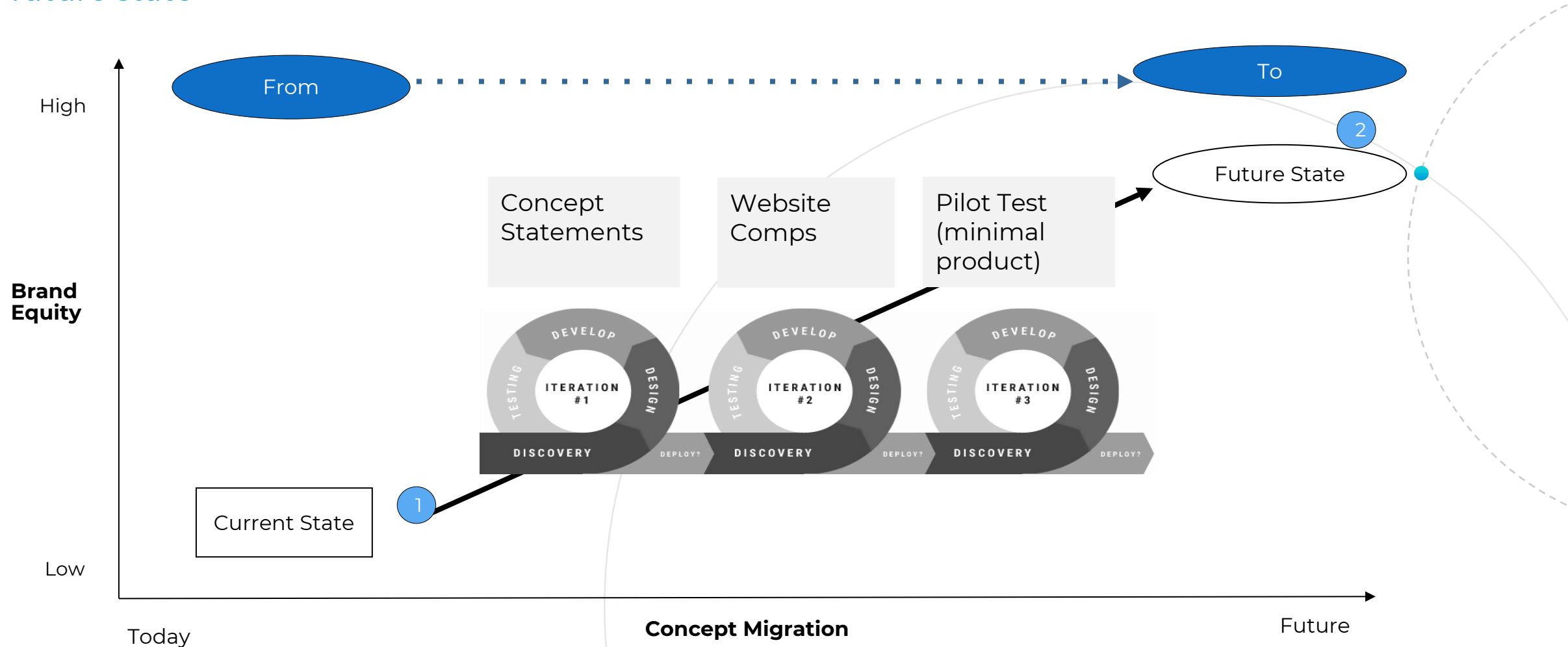



Companies that integrate a comfort with ambiguity and a bias for action can reap 90% of the benefits with just 10% of effort



The central premise – begin with the end in sight

Create-test-and-learn to obtain feedback, increase appeal and get closer to the ideal future state





**Twenty questions to consider,
grouped by key principle: **insight,
identity and innovation****



Insight

1. How do you define the business in which you compete?

- **Why** do you do what you do?
- Define the **business** based on the **needs of your customers** vs. the products you sell



Insight

2. What do you know about your important customers that your competitors don't know?

- Immerse yourself in the customer experience and look at the business through their eyes
- What 10 questions would you ask?



Insight

3. Are you investing in **proprietary insights** to unlock growth?

- Use whatever term you like – customer wants, needs, demand spaces, benefits sought, jobs to be done, pain points, friction points – just do it



Insight

4. Do you have a **customer demand framework, and how are you segmenting opportunities, if at all?**

- To whom? For what?



Insight

5. Is there a mechanism in place to regularly infuse **customer, marketplace, and technical insight into your growth plans?**

- Get in the habit of getting **out of the office**



Identity

6. Does your company have **executive-level commitment to the identity principle** in driving growth?

- Identity can be a squishy – involving creativity, design and marcom – and hard to quantify
- Conduct a **brand audit** to signal opportunities



Identity

7. Have you defined your **value proposition** in terms of the **benefits your brand should stand for and deliver on?**

- Consider the three things that matter – **customer needs**, **value planks** and **corporate capabilities**
- Brand value is **what you get for what you pay**



Identity

8. Have you defined your brand strategy – including its brand positioning, brand-customer experience, brand architecture, and brand extension?

- A brand is one of the few things a company can own forever
- Four brand strategy components provide the foundation for downstream marketing



Identity

9. Are you presenting a **compelling brand identity** that aligns company aspirations with marketplace requirements?

- Step back and look at the business through the customer eyes
- Does the **brand architecture** promote **clarity, synergy** and **leverage**?

10. Are you getting the **word out** and **aligning brand touchpoints** with the customer experience?

- Is your brand a light under a basket?
- Customers **need to be made aware** before they can purchase
- Increasingly, **how** something is communicated and delivered can be as important as **what's** offered

11. Do you use an **iterative approach** to innovation to obtain input on **how to win** and **lessen risk**?

- Concept optimization is a central tenant of upstream marketing – **experiment to learn**
- **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 – new business **creation** requires a **separate focus** from the core
- Use **what would have to be true?**
- **Four screens:** strategic, customer, financial and operational

13. Do you take a **pipeline** and **portfolio approach** to manage growth?

- Establishing growth objectives and roles is a first step
- Ensure a **steady stream** of innovation – the right mix of **incremental, substantial** and **transformational** innovation

14. Does your organization support the **aim 'em, don't tame 'em** innovation paradox?

- Innovation is misunderstood and highly complex
- Innovation doesn't just happen – it **has to be engineered** and requires **balancing** the “fun” and “less fun” **corporate values**

15. Have you planned **your culture** to promote innovation and growth?

Five cultural values:

1. Focus and obsess about the **customer**
2. Employ a **growth mindset**
3. **Think big** (but start small and fail fast)
4. Ensure the **best ideas** win
5. Recognize **productive** failures



**Now apply it:
Integrate and
Execute**

16. Do you have a confirmed list of **strategic opportunity areas to focus your organization?**

- Is there a **documented list** of confirmed SOAs?
- **Write them down!** Verbal descriptions **make them tangible** so they can be **easily screened**



**Now apply it:
Integrate and
Execute**

17. Are you maximizing the value of the entire organization in driving growth?

- Innovation is a **team sport** – “If you want to go fast . . . vs. far”
- Still, **individual leadership** and **accountability** are necessary



**Now apply it:
Integrate and
Execute**

18. When was the last time your organization **developed and **trademarked** a new product or service?**

- If it's been a while, you may be **missing out** on organic growth
- On the other hand, it's possible to **over-brand**
- Key question: What's **the fewest number of brands** needed to meet corporate objectives?



**Now apply it:
Integrate and
Execute**

19. Is your organization siloed in its approach to growth?

Ways to counter-act this

- Establish a **common purpose** and **guiding principles**
- Create a well-defined **upstream marketing process**
- Invest in **the power of the end customer**

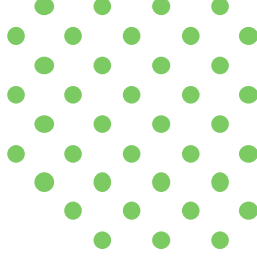
The **more customer-driven** an organization is, **the less siloed** it will become



**Now apply it:
Integrate and
Execute**

20. Are you maximizing the value of upstream marketing by fully integrating **insight, identity, and innovation?**

- You cannot pick and choose – you must **do them all**
- **Consider piloting** upstream marketing, with **one or two strategic opportunity areas**
- The important thing? **Get started!**



Upstream Marketing Principles, Practices, and Process

Upstream Marketing Principles and Practices		Upstream Marketing Process						
		Where to Play?			How to Win?			
		Set Strategic Direction	Create the Customer Framework	Select Opportunity Areas	Do the Deep Dive	Conduct Focused Ideation	Optimize Concepts	Finalize Strategic Roadmap
Insight	Maniacally Focus on the End Consumer	✓	✓	✓	✓	✓	✓	✓
	Define Your Purpose – To Whom? For What?	✓	✓	✓				
Identity	Design and Align Value Propositions			✓	✓	✓	✓	✓
	Build and Extend the Brand			✓	✓	✓	✓	✓
Innovation	Create, Test & Learn (Strategy & Process)					✓	✓	✓
	Aim ‘Em, Don’t Tame ‘Em (Culture & Organization)	←-----→						
		How Might We?			What Would Have to Be True?			

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