

THE MARKETING ASSOCIATION OF AUSTRALIA AND NEW ZEALAND



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The dots have gone and the actual nine itself has been modernised slightly to a more contemporary style and then placed on a blue square box."

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Electronics retailers hopes rise

The consumer electronics market is pegged for strong growth . Consumer electronics and PC sales are "fuelling each other", and retailers and vendors are preparing for a strong year buoyed by news that global semiconductor sales are up because of strong demand for flash memory.

The Semiconductor Industry Association said worldwide chip sales hit \$US20.4 billion (\$27.2 billion) in November, representing a 7.2 per cent jump on the same time in 2004 and a 1.7 per cent rise on October sales.

Strong holiday season sales of consumer products such as cellphones, digital cameras and MP3 players drove record sales of semiconductors in November 05

Sales of flash memory devices, a key component in many handheld consumer products, were up by 33 per cent from November 2004 and sales of application-specific circuits were up by almost 34 per cent year-on-year.

Local retailers, already excited because 2006 is expected to be the year of Microsoft Windows Vista, expect a good year ahead for consumer electronics.

Digital video recorders are expected to experience triple-digit growth this year. Consumer trends that are driving semiconductors include demand for new electronic devices, and the need for more memory."

Several categories of consumer electronics devices are expected to strongly. These include:

MP3 players digital set-top boxes, digital video recorders and smart handheld devices.

Portable audio, which is a big user of memory, is booming, and 2.5 million units were shipped in Australia last year.

Retailers are focusing on convergence because they can bundle consumer electronics with computers."

The Australian

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setting, ethnographers typically examine how people treat a product, say, a mobile phone, in the context of their lives.

Both hardware and software makers are using ethnographers to adapt products for specific markets. Intel, for instance, has designed PCs to appeal specifically to market segments in China and India. And it was an ethnographer who figured out that Japanese people don't use instant messaging on their PCs, because interruptions are considered impolite.

Such tactical advances are being joined by a more strategic use of ethnography. In May, for example, Intel pulled three of its ethnographers out of its research arm and put them into line operations, with a mandate to build a larger team of ethnographers, to help Intel better understand emerging markets, such as developing economies, digital health care, and the digital home.

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[**Amazon to offer Internet Music Service**](#)

The world's largest online retailer is reportedly in advanced talks with four major music organisations to debut a music service and music players that will rival Apple Computer.

Amazon.com may also offer a music service subscription that would subsidise the price of the player, the Wall Street Journal reported. The service could be launched as soon as this summer. The report said Amazon.com is negotiating with Vivendi Universal Music Group, Sony BMG, Warner Music Group and EMI Group to license music for a subscription-based music service. The report also mentioned Amazon.com may partner with hardware makers such as South Korea's Samsung Electronics to build the digital music player. Samsung has, however, already committed much of its flash memory inventory to Apple and other device makers.

The online retailer, which enjoys a user base that tops 55 million users, would need to differentiate its service and players from competing offerings. The report emphasised this would be the first time Amazon tries to sell its own branded player, so it is unclear how consumers would react. Other services such as RealNetworks, Rhapsody, Napster and Yahoo still trail far behind Apple's popular iTunes and iPod products. Amazon.com could not immediately be reached for comment.

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[**Invention produces the pause that advertises**](#)

Two Texas organisations have built a device for store shelves that plays commercials as shoppers decide to buy or not to buy.

Major consumer products brands including Coke, Colgate, Maxwell House and Tyson are participating for free in a test of P.O.P. ShelfAds that's under way in Dallas.

The wireless device kicks on as shoppers pause during the critical eight-second window that researchers say it takes to decide which toothpaste or soda is going in the basket.

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Articles

The Key Factors of Strategic Planning

There are a number of key factors to consider with any planning. The areas are as follows:

Focus refers to concentrating limited resources in the areas that will reap the most rewards. Goals are what we are aiming to achieve from our efforts and investment. All too often that is simply equated with money and does not consider other, more important factors.

Competitive Advantage refers to the fact that we are operating in a competitive environment. If we are not aware of the fact that there are other players competing with us for the same client's money, then we are likely to lose.

Superior Performance.

What is important for the organisation, is to plan a position which takes into account all of the players. Firstly the strategist must achieve superior performance to the competitor. At the same time the strategy must be in line with the strengths and weaknesses of the organisation and must also meet the needs of the market. A successful strategy is one which gives a stronger matching of organisational strengths with market needs than that provided by the competition.

Sustainable Competitive Advantage (SCA), which suggests that there are many possible good ideas, but which one will remain yours (that the competitors cannot take away) and work for the longest time?

Creativity and Innovation.

What gives a strategy its competitive impact is the creative element and the will of the mind that conceived it to make it work.

Flexibility - The best strategies are flexible and allow for innovation. They are based on information, which gives us a series of probabilities to work with. Strategy is vulnerable to reality. One cannot totally predict the future. All business decisions are probabilistic. There is always a chance of the plan failing.

Basic Conceptual Simplicity

Complicated, long range plans rarely work and require constant adaptation and change - usually into another detailed long range plan. We must remember that any strategic plan is based partly on historic information and partly on future prediction. Once written it also becomes part of history. The Ability to be Implemented. A wonderfully conceived and crafted strategy is meaningless unless it can be implemented to achieve the Mission and Goals of the organisation

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Empowerment

Nothing will drive your customers away faster than employees who are not empowered to take care of them. By empowerment I mean that employees are given the authority to make decisions to take care of the customer-to the satisfaction of the customer, not the organisation.

Do you have policies that all but ensure a customer will not do business with you a second time? Are your employees empowered to take care of your customers? If not, how many customers have you lost because of that lack of empowerment?

An organisation cannot provide exceptional customer service if it hasn't empowered its employees. You must give your employees the authority to do whatever it takes to satisfy the customer-and to keep that customer coming back again and again. Let me put it this way: If the customer loses, the company loses.

While empowerment is critical to the success of any customer service effort, it is the most difficult customer service strategy an organisation can attempt to implement. What is preventing so many organisations from empowering their employees? Following are four fallacies that stand in the way of empowerment:

Employees are ignorant.

The greatest fear executives have with empowerment is that employees will give away the store. They have little confidence in front-line employees, believing that people earning minimum wages can't be trusted to make decisions without customers taking advantage of them. What's the worst that can happen? That you will have thousands of overly happy people standing in line to do business with you?

Look at it this way: If a customer is unhappy with your company, it will cost you a small fortune to get him to do business with you again. It's much cheaper to empower your employees to take care of that customer in the first place, so he doesn't leave you for your competitor.

Customers are lying cheats.

Many executives and managers think that the customer is out to take advantage of a business in any way possible, so they develop rules, policies, and procedures to ensure that doesn't happen. Combine this with the belief that employees are ignorant, and you can see that many executives live in fear of having a lying cheat taking advantage of an ignorant employee.

It's important that you realise that a perception is reality. For example, if a customer feels he has been poorly treated by your company-whether he has or not-that is his perception and, consequently, his reality. You must empower your employees to take action that will result in positive perceptions.

Employees will be fired if they make a decision on behalf of the customer.

When I'm dealing with an employee from another company and ask for something that isn't in line with company policy, I'm often told, "If I did that, I would get fired." I'm talking about simple things like getting a package delivered to my house at no charge or being allowed to check an extra suitcase with an airline at no charge. Many employees also have told me that, if they were to waive a charge, the company would take it out of their salaries.

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ever act on your proposal? Do you think people would've greeted your plan with more enthusiasm if someone else had pitched it?

If you feel you're not getting the recognition you deserve at work, it may not be what you're saying, but how you're saying it. Too many people unknowingly invite failure because their approach to proposing an idea is wrong. We all know that hard work alone is not always rewarded. In fact, if you really want to get ahead, you have to make your presence felt.

For starters, if you want people to start taking your ideas seriously, you need to present them seriously. Don't undersell your points by expressing them weakly. Consider the following two statements of the same idea:

"I'm not sure if this is relevant, but I was wondering if we might be interested in conducting a competitive analysis before we move forward?"

"I strongly recommend conducting a competitive analysis before we move forward."

By qualifying your statements with comments like "I'm not sure if this is a good idea" or "I'm just new here but...", you're inviting people to argue with you.

Eight more ways to get the recognition you deserve

Don't use weak words.

Kind of, maybe or perhaps all lessen the effectiveness of your statement. Instead, use active verbs and strong modifiers, like strongly believe or highly recommend. In general, it's women who opt for weaker, more qualified statements, so if you're a woman working with a group of men, be especially aware of this tendency.

Don't pose statements as questions.

Like weak words, questioning statements invite people to argue with you. Be aware that raising your vocal pitch at the end of a sentence makes it sound as though you're asking a question, even if that's not your intention. Similarly, speaking too quickly, too quietly or at too high a pitch all signal nervousness and negate your credibility.

Don't be afraid to take credit for your work or ideas.

Use I, not we, when appropriate during a discussion. Do be careful to not exclude others who genuinely deserve recognition, but don't let other people steal your thunder.

Don't give in to interruptions.

If you're in the middle of making a point and someone interrupts, hold your ground by saying something like, "Excuse me Nick, I was still speaking. Please hold your comments for just a minute."

Don't fidget.

Remember that the majority of our communication is non-verbal, and unconscious actions send their own messages to your audience. Fidgeting looks unprofessional and can be incredibly irritating to those around you.

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Tip 6. Be careful with humour.

It can be good in helping develop a relationship with your reader. However, be very very careful. Spoken humour can be risky - with the written word, you lose the live part of the message. When you don't have direct contact with the reader you cannot know what their same frame of mind is when reading the article.

Tip 7. Use active verbs and personal pronouns (you, he, she, I,).
This makes it more interesting and draws the reader into the article.

Tip 8. Make it easy to read

Write headings, titles, and leads that reach out and grab the reader. This is your opportunity to get them into the article.

Tip 9. Be consistent in your styling.

Particularly your use of tense and person. Use correct grammar and spelling. Be consistent with English or American spelling. Consult a style manual

Tip 10. Use the Right Word.

Always use the correct word and spelling. Get a dictionary and don't rely on spell checker. You look foolish if you use words incorrectly.

Tip 11. Spell out any acronyms or abbreviations at least the first time they are used in each issue. Avoid technical jargon as much as possible - unless you are talking to a technical audience.

Tip 12. Write in a way that will communicate effectively.

The English language has not been fixed in place. It is used to express ideas. There are many ways of doing this. Don't be a literary pedant - be a communicator. Generally however write in plain English. Write at the readers' level of comprehension or just below.

Tip 13. Use white space and diagrams, art or photos to break up the page.
Nothing is more daunting or boring than a page full of text. White space gives a quality feel

Tip 14. Read it out loud. Part 1

You only think you know what you have written until you read it out.

Tip 15. Read it out loud. Part 2

If you read it out loud and the sentences flow easily, it will be easy to read. If you find yourself tripping over your words, the reader will probably stumble as well.

Tip 16. Write it in stages
Doing even the biggest job is easier and more doable in stages and steps.

Tip 17. Put it away for awhile and come back to it.
You will be surprised at how much difference just one day makes in reading your own writings.

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"People are dead right to ask why this isn't just the same sort of hype we got before the last crash."

But Mr Mitchell conceded there were a few key differences in 2006 - particularly the rapid penetration of broadband - that suggested the underlying assumptions were more solid.

"I was there in 2000 and this time the difference is that internet usage is for real. It no longer is just other dot commers using the internet. This time it's real organisations; the marketers have learnt how to use it and I think it's for real."

At the same time as advertisers have become more comfortable on the medium, Mr Fadaghi said consumers were increasingly less afraid to do business online.

"People are past the trial stage of internet commerce now and some consumer categories are already dominated by on-line. More domestic air tickets are sold online than offline."

While the average Australian home spends only 3 per cent of its consumer goods budget online, Frost & Sullivan predicts this will grow to 7.5 per cent by 2010.

The Great Wall of Advertising

Focus Media Holdings, China's biggest overseas-listed advertising company, plans to bring the lights of Times Square to Shanghai.

The company, aims to install giant screens of light-emitting diodes in Shanghai, Beijing and Guangzhou, similar to those in New York's most-illuminated junction, the chief executive, Jason Jiang, said in an interview Thursday. The giant video screens, on as many as 15 buildings, would increase competition with Clear Channel Outdoor Holdings and JC Decaux, the world's largest providers of outdoor advertising, in an ad market worth \$39 billion. Retail sales in China climbed 12.5 percent last year as rising incomes encouraged people to spend more on cars, homes and food.

"I know the Chinese market better than the overseas ad organisations," said Jiang, who wrote advertisements after graduating with a degree in Chinese literature from East Normal University in Shanghai. "Global reputation doesn't necessarily mean success in China."

LED walls first appeared in Shanghai in 2003, when the government approved a screen 16 stories tall on the Aurora Building facing the Huangpu River. Focus plans screens as large as 500 square meters, or 5,382 square feet, costing as much as 50,000 yuan, or \$6,219 per square meter, said Jiang. Should Focus Media install 15 of the largest screens about four stories high it would have to spend 375 million yuan.

"The huge screens will show financial service and fashion brands aimed at thousands of urban dwellers," said Jiang. "Chinese people have more money now and they are eager to spend."

Ad spending in China rose 21 percent to 316 billion yuan last year, Nielsen Media Research said last month. Focus Media benefited as some organisations like Ford Motors sought cheaper ad rates by moving to more specialised advertising media, said Qi at CTR Market Research.

Focus Media has put flat-panel screens in more than 4,000 supermarkets and convenience stores in 77 cities. Consumer-product makers like Procter & Gamble are the biggest advertising spenders in China.

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