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Nowadays, proper planning is important

Do you remember the days when management consultants touted long-range planning as the way to lead a company? We

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all needed five-year plans that took the executive team six months to develop. Those plans ended up in 3-inch ring binders on the shelves of CEOs, never to be seen again.

When five years was deemed too far beyond the attention span of the average executive, we settled for annual goals with

quarterly objectives.

Since September, it looks like business leaders are giving up on planning altogether — especially in the areas of marketing and advertising. It's one panic attack after another, with agencies and the businesses they serve laying off marketing talent, declaring bankruptcy or even closing their doors forever.

I confess I find this very disconcerting. I like to have a plan. In fact, I need to have several plans. Without having a well thought-through Plan A, Plan B and Plan C — as well as knowing all the major and minor contingencies are covered — I'm uncomfortable.

I finally figured out that other people don't think about planning the same way I do.

Most businesses make plans based on what they've done before. The conversation starts with, "Here's our marketing plan from 1995. Let's update it for 1996." And they keep doing that, year after year. It seems to work — although, not as well as it did the year before — until it dawns that the world has changed around them.

Back in 1995, Larry Ellison of Oracle was already saying "the internet changes everything." But marketers, advertising agencies and traditional media outlets — like TV and newspapers — were in denial.

In the past several months, spurred by the recession, the internet has finally "changed everything" — at least, as far as mass advertising media. And it has done so without providing an obvious replacement.

We marketers can all throw up our hands and give up — or we can take a rational look around and make a plan. But not just "a plan." We need plans that flex and move. We need to think about what else might happen besides what we expect to happen.

The best thing about the current advertising/marketing/media industry crisis is that we have great reasons to wipe the slate clean and start our planning from scratch.

Here's an example. One of our current clients is a cruise line. You might think they would be panicking and flailing about, laying people off, firing agencies and hunkering down right now. After all, the recession is making a big dent in the travel business.

Instead, they are taking the opportunity to look at all the places where they spend money and reallocating their marketing budgets more efficiently. So what if they've

printed and mailed a magazine to their past guests every quarter since 1985? Now is the time to think about moving that budget online and investing in something modern, with a more measurable outcome.

Taking a fresh look at your plans and updating them is crucial to success. A different perspective is always helpful — and you don't necessarily need a consultant to do that.

I recommend starting with benchmarking what you're currently doing in your marketing program. If you don't have numbers, you can't really judge what's working or not.

You — or someone on your team — should have responsibility for looking for new ideas. Which ones may make sense for your business? Should you test a particular idea or is one of them so self-evidently great that you should go all-in?

Then allocate budget based on what has the best likelihood of making an impact on results. Part of your plan has to cover measuring results — quickly — and flexing when things don't go exactly as expected. Invest in winning ideas and drop losers fast.

I'm all for cutting your losses when things don't work out. But that doesn't mean hiding under a rock until things get back to normal. We're not going back to 1995. Now is the new normal. It's time to adapt.

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