



## Cultural exchanges at the Marketing Forum

**Another hectic Marketing Forum saw a number of speakers identify lessons and challenges from the nature of their brands and the society they exist within.**

Prying between the lines at the Marketing Forum 2008, the importance of culture was everywhere to be found. Not culture in the narrower sense of fine art or classical music, but rather the culture of organisations and societies, and how these traditions and expectations shape the way that brands operate, both internally and in the public eye.



Mark Price, the managing director of Waitrose, alluded to the fascination with culture, and to its central role, in his opening keynote speech, saying: "Lots of people talk about culture and having that in business. I heard someone describe that as the 'sediment of past transactions', and I think that's a brilliant way of putting it."

Waitrose's own culture is very distinctive. As part of the John Lewis Partnership, the company is co-owned by its employees; information is shared with them, and they have the power to influence what happens in the business. In contrast to publicly owned companies with shareholders to satisfy, said Price, this meant that Waitrose could afford to plan long term to build its business, without short term imperatives such as share dividends.

"We only grow the business as quickly as we can grow the people in the business. If you put employees first you get better service, customers are more loyal and you therefore have a more profitable business," he said.

**"My first time and it was a very useful and enjoyable two days. It's a valuable opportunity to get new insights into the changing world of brands and communications."**

Stephen Pain, Aviva plc

**"A fantastic event that surpassed expectations."**

David Jones, Fitness First

**"Extremely productive way of meeting new suppliers who can offer something different to my business - organisations who simply would not be on my radar if I didn't take the time out."**

Sarah Howe, BUPA

Engaging with staff in this way means that it is easier for a brand to hold on to a hard earned reputation for high quality, Price continued: "I want people to know that the quality is genuinely better at Waitrose than they can get anywhere else. That's my goal. One of the great strengths of co-ownership is that we can put that point directly to people in the business. We can ask if employees would prefer to offer better service than have a 20% bonus, and they genuinely do. That's the great strength of our model."



For Scott Garrett, marketing director for the Williams Formula 1 racing team, the concept of involvement for employees is crucial, and he equates it to empowerment. That Williams has a very

different concept of its brand compared to most organisations can be seen in the fact that success for Williams is measured in champagne on the podium, said Garrett. It operates, of course, in a market where super-fast progress is literally the norm. But speed isn't all; it needs to be married to agility. The business must be able to react quickly to changing competitive pressures.



Garrett listed the team's six success factors: the drivers; the engine; reliability; aerodynamics; mechanical grip; and teamwork. This last factor was "absolutely critical in any business", he said.

"For us it's not an option, but a discipline. We have institutionalised teamwork. For our employees we take the trouble to relate what the person does all week to what they see on the TV in the race. It's important though that if you are going to have empowerment you also have responsibility. If someone makes a mistake, they need to feel responsible for the car going wrong and fellow employees not getting their points bonus."

Very quick decision making is one of the strong cultural factors at Williams, helped by the absence of matrix management which is "the enemy of empowerment", said Garrett, with "lots of power of veto but not of approval". Williams' own brand image was also distinctive; unlike its competitors in Formula 1, the team is a "racing purist". Other teams had been created as an extension of an existing brand, and were part of that brand's marketing effort, he pointed out.

"We are there just to race. We spend everything on the car, so our P&L should be zero every year," said Garrett. Asked from the floor what was expected of the team's blue chip sponsors, he replied: "If we are running at the front of the race, this provides a lot of value for our partners. However, at Williams and in other sports, sponsorship is no longer about how big is the cheque and the sticker. It's about a deeper relationship between us, and between the partners themselves."

"What I'm doing by bringing them together is giving the head of marketing the ammunition to say to the board: 'here is why I'm spending £6 million on sponsoring Williams'. They've got to help us win though. We are strongly demanding, and they have got to want to participate."



Another brand with a distinctive culture, and one which is highly responsive to the culture of the society it exists within, is organic chocolate maker Green & Black, whose global brand director Mark Palmer spoke at the Marketing Forum. The brand's own journey has taken it from being a niche organic brand to premium mainstream, fighting societal perceptions that organic meant inferior quality along the way.

The company only began in 1991, and in 2001 set out on a strategic repositioning that has proved to be a pivotal moment in its success. The origination of the name is rather straight forward: green for organic, and black for dark chocolate. Focus groups prior to the repositioning painted a depressing picture. One woman in a focus group referred to the Green & Black bar in disparaging terms as "charity chocolate" without even trying it.

"We needed to sort out our packaging because the design was not communicating quality; it was communicating worthiness. After that we started to say, let's not be too clever with the marketing. The lights switch on for people when they taste the chocolate," said Palmer.



Aside from the physical appearance of the brand's product though, there needed to be a change in the way that the company viewed itself if it really wanted to grow its business beyond being simply the strongest player in a niche market, Palmer explained. One brand manager questioned the wisdom of changing the brand's direction, saying Green & Black already had 97% of its market. Palmer's response was that this was 97% of the organic chocolate market, which did not really exist. In the real chocolate market, its presence was miniscule.

"I said today we go from 97% to 0.0-whatever per cent; we become a feisty challenger brand within the chocolate world. We changed the kind of people we employed, to those who were interested in chocolate, not just organic."

**"Great benefit to our company - I work in the new business sector and it's the only time where I can meet so many prospective clients at once who have real needs and requirements. Plus made some good friends which was very unexpected!"**

**John Stoneman, Nokia**

What came next was a more extensive segmentation of customers, and Green & Black categorised a number of types of existing or potential customers: those that liked green cuisine; everyday luxury eaters, who were generally older people that loved brands; those who were time poor but food rich, such as London commuters; and adventurous "foodies".

In 2001, Green & Black saw that those in the first and last of these categories were already buying the product, but this was only 7% of UK households. Next on the target list became the time poor/food rich, which accounted for one in four UK households. The strategy used was "discovery marketing", said Palmer. Without a big marketing budget, Green & Black used word of mouth and seeding to give consumers the chance to discover the brand, rather than it being forced upon them.



"For us, seeding and word of mouth was about going to places where our audience was and doing a huge amount of sampling," Palmer said. "Five and a half million bars of Green & Black have been given out as samples. That was our marketing but we did it with some panache."

With commuters the key target, there was a heavy focus on London to begin with, and Green & Black tried to have a presence everywhere that it could touch the commuter during the day: at the train station, in the Metro newspaper, a covermount with Sainsbury's magazine, and in Pret-a-Manger, with whom a co-branding deal was agreed.

The evidence of success is in the fact that Green & Black now has an annual turnover of £60 million, and was recently bought by Cadbury, which Palmer said had proven to be "very protective of the brand", while targeting ambitious international expansion.

One thing that is certain in the marketing and wider business world is change, and at the Marketing Forum Andrew Marsden of the Marketing Society peered into his crystal ball to consider how things will be in five years time, with the London Olympics in the history books. The future Marsden described calls for a smarter, more engaging role for marketing departments:

- There will be a continuing shift in the balance of global trade, from the West to the East
- There will be more people living in cities and there will be more megacities, and this will present opportunities for brands
- The rich elderly will demand products and services to reflect their requirements
- The era of cheap food and energy will be gone for good, and there will be great focus on the health of the planet
- There will be a more realistic view of "new media" and its actual performance
- There will need to be new and better agency models, since the current situation carries huge overheads, and marketers will require a greater slice of fees to be spent on creativity instead of processes.

It will be a complex landscape for brands and marketers for all of these reasons, and cultural change will be fundamental for brands, their marketers and the society they seek to engage with.

*Thanks to Andy Knaggs from Brand Management Magazine for providing the review this year.*

## Congratulations again to our High Fliers winners on the Marketing Forum 2008

We at Richmond Events would once again like to congratulate the Marketing Forum High Flier competition winners **Michelle Tierney, Ian Gregory and Matt Connolly.**

Over 200 young marketers were asked to submit an in-depth strategic marketing plan for the business of their choice, with the goal to grow the business in a new market segment.

The hard work and great ideas submitted by Michelle, Ian and Matt shone through the entire selection process impressing our elite judging panel, both on paper and in person.

We would also like to extend our immense appreciation to the judges and partners for kindly offering their time to invest in the future of these young marketers: **Andrew Marsden** (The Marketing Society), **Branwell Johnson** (Mad.co.uk), **Chris Russell** (eDigital Research), **Anton Dominique** (London School of Marketing), **Jacques de Cock** (BQu), **Rod Wilkes** and **Ray Jones** (The Chartered Institute of Marketing), **Sarah Howe** (BUPA), **Sabine Popp** (Mintel International), and **Andy Edge** (Park Resorts).

### The 2008 sessions mentioned in this review include:

#### "Sustaining Success"

Mark Price  
Managing Director, Waitrose

#### "The Concept of Commercial Acceleration"

Scott Garrett  
Head of Marketing  
Williams F1

#### "GREEN & BLACK's – From Niche Organic to Premium Mainstream"

Mark Palmer  
Global Brand Director  
Green & Black's

#### "Things I'll Need to Know Five Years from Now"

Andrew Marsden  
President  
The Marketing Society & Andrew Marsden Consulting





FOR FURTHER INFORMATION,  
CONTACT:

**Steve McCuaig**

Project Manager

T: +44 (0)20 8487 2246

E: smccuaig@richmondevents.com

**Hanna Leerink**

Client Manager

T: +44 (0)20 8487 2254

E: hleerink@richmondevents.com

**Sinéad Archer**

Client Manager

T: +44 (0)20 8487 2267

E: sarcher@richmondevents.com

**Siobhán O'Hara**

Operations Manager

T: +44 (0)20 8487 2232

E: sohara@richmondevents.com

**Joanne Muir-Little**

Conference Production Manager

T: +44 (0)20 8487 2254

E: jmuir-little@richmondevents.com

**Neil Tait**

Sales Director

T: +44 (0)20 8487 2279

E: ntait@richmondevents.com

**Louise Henry**

Sales Manager

T: +44 (0)20 8487 2242

E: lhenry@richmondevents.com

**Tom Bird**

Sales Manager

T: +44 (0)20 8487 2280

E: tbird@richmondevents.com

**Kim Peirson**

Sales Manager

T: +44 (0)20 8487 2233

E: kpeirson@richmondevents.com

**Adam Sangster**

Sales Manager

T: +44 (0)20 8487 2270

E: asangster@richmondevents.com

The Marketing Forum  
is organised by

Richmond Events Ltd  
St Leonards House  
St Leonards Road  
London SW14 7LY  
020 8487 2200  
[www.marketingforum.co.uk](http://www.marketingforum.co.uk)

[www.marketingforum.co.uk](http://www.marketingforum.co.uk)

