

## Seeking marketing innovation

By Stan Sutter

If the *Marketing* Board of Editorial Advisors can be believed, "the ideal marketing-driven innovative company" would be headed up by Bono, or maybe Steven Spielberg, and include in the SVP ranks the likes of Gandalf, Roméo Dallaire, Martha Stewart, Condoleezza Rice and Spiderman. Stay with me now, this isn't as goofy as it sounds.

Every six months or so for the past five years, the editorial team from *Marketing* has sat down with a dozen or more senior people from all corners of the marketing industry to talk about the things that are on their minds. There have been too many individuals involved over the years to name all the participants-plus we run it as an off-the-record session-but our BEA is chaired by the always ebullient and insightful Alan Middleton, assistant professor of marketing at York University's Schulich School of Business and executive director of York's Executive Education Centre.

It's usually a salon-style discussion around a boardroom table that continues over dinner. We changed things up a bit this spring, however. Board member Liz Torlée and Louise Doucet, Liz's co-managing partner in the Toronto research firm TerraNova Market Strategies, led a qualitative "discovery workshop" with the group. The three-hour session involved various projective research techniques (for example, a "build your ideal management team" exercise based on the skills and values you associate with a set list of celebrities like Bono, Condi, Spidey et al) aimed at, as Liz puts it, drawing out "collective wisdom" by having participants "express their feelings, look 'sideways' at their behaviour and think creatively." That we all did, and then some.

The assignment for the evening was to, in effect, design the perfect marketing driven organization- what elements it needs, how it ought to be structured and what kind of leadership it should have.

These kinds of formal and informal research sessions may be old hat to most of our readers, but we editorial types-who also took part in the exercise-seldom get to witness such "real life" intelligence gathering encounters. (Occasionally some brave soul at a marketer, agency or research firm invites us to come along and watch a real consumer interface, only to have serious second thoughts at the last minute.) So it was revealing to us, just on that level. But, more to the point, it also offered a real glimpse of the concerns and aspirations of leaders in the Canadian marcom industry these days.



And their state of mind? Constrained, frustrated, worried. But, being marketers and ad folks after all, they're ultimately still optimistic.

Consider this to be the informal executive summary.

### **State of the industry**

Off the top we were asked to select from a supplied group of photo images that best reflected our view of current industry conditions and to describe our gut reaction to those images. A yellow traffic light, a badly scuffed soccer ball, a fuel gauge hovering near empty and a cat staring intently at a single gold fish in a small bowl, were all popular selections. (On the latter image, one person suggested "we're the fish, the cat's head office," although most interpreted it along the lines of "we're the cat and instinctively know what to do, but we're not acting," or "one fish and it's getting smaller and smaller.")

The collective feeling was that marketing in Canada has "lost its sizzle." The industry often seems paralyzed. Most spoke with "a vocabulary of constraint," describing the industry as generally driven-or rather not driven, but reigned in-either by cautious head office management or stock market demands for short term ROI, all of which is thwarting innovation and risk taking. Sample verbatims from this part of the discussion, from the report by Torlée and Doucet, included: "our hands are tied," and "there's only so much you can do."

There's a real concern-not just from individual companies, but the entire industry-about attracting and keeping talented people. Fewer people are being hired, and because those who are brought in have to work so much harder than previous generations, they aren't able to adequately develop and broaden their own skills, let alone train and mentor junior staff.

Still, as Torlée and Doucet put it, "beneath the concern and discontent, there was still a strong fighting spirit; the belief that things can be better and that the whole industry needs to work harder at making them so." Again, a verbatim: "There are a lot of great opportunities out there."

### **Innovation: What it is, who's got it, what's stopping us from getting it?**

Several themes emerged in the discussion of what innovation is exactly. It's seen as "an act of transformation" that can be as simple as "looking at things through different eyes." It was agreed innovation doesn't just happen, but needs to be nurtured and developed. There is risk involved, and courage is required to be truly innovative.

We concluded that the characteristics of the most innovative organizations include: passion, culture and a driven, focused leader. Innovators also tend to be the companies with "an ear to the ground" and are very flexible in responding to market shifts.

The group suggested there are three levels of innovation when it comes to the marketing industry: marketing communications on a tactical and strategic level, product innovation and category transformation. While innovation in the first two

areas was admired, it is that game-changing ability to "bust open" an entire category or even invent new ones that drew the most praise.

Perhaps not surprisingly, Apple was cited most often as a leader in innovation. Others getting multiple mentions from participants were: Starbucks, EBay, Google, Cirque du Soleil, Loblaw's, RIM and Toyota.

Verbatims here included:

- On passion: There's "joyous enthusiasm" at innovators and they are "continually re-looking, rethinking, re-inventing."
- On culture: "They know how to create a sense of community around the innovation so that it has almost a cult feel to it."

Leaders of innovative organizations were generally identifiable personalities who often have "maniac" or "paranoid genius" qualities that create enthusiasm and urgency (think Steve Jobs and his "insanely great" mantra). "You need a missionary spirit, a moral centre," said one participant. (The group, however, also cautioned that such messianic leadership needs to be always directed toward fulfilling customer needs and desires, not personal self-aggrandizement: "Too often these guys fall in love with themselves.")

By contrast, the biggest killers of innovation were variations on "analysis paralysis" and "executorial inertia." Torl e and Doucet summed it up thusly: "An obsession with data collection and analysis, the fear of failure and the inability to actually make things happen were cited over and over as the principal obstacles to establishing an innovative culture in a company. Sometimes, these were linked to operational restrictions but mostly they were attributed to weaknesses in leadership and management."

Ultimately, our BEA, while spending much time lamenting the constraints they and their peers are working under day-in, day-out, also recognized that those are just excuses for not getting on with at least trying to be innovative.

There is no such thing as a "perfect" marketing-focused company, so we all have to get on with making do in less than perfect conditions. Said one participant: "Innovative companies actually DO IT!"

Despite the limits of reality, we did dive in and try to construct the "ideal marketing-driven innovative company."

I've run out of space here. Come back next week and I'll outline what our Board of Advisors and editorial staff think that ideal company looks like, and how it could work.

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