

Chapter 1

The Holy Grail of Marketing: How Brands are Using It to Break Down Barriers and Market Share from Multibillion-Dollar Companies



I often include improv exercises in my classes because they are the most effective way to teach and learn. So, let's kick this book off with one. Imagine you were just given a marketing budget. This budget could have come from your boss, a private equity firm, or perhaps from your own savings. The budget size and where it comes from don't matter. Over the following two hundred pages of this book you'll see that what matters most is that no matter where your funds come from, you're accountable for every dollar you spend. Let's take it a step further: for every dollar you invest in marketing that's not going toward the growth of your brand, business, or service, you'll miss out on an opportunity to gain increased sales and market share. You might also risk losing your job or the dream business you launched.

Now that we have set the playing field, let's have some fun and dive in! To plan a successful marketing campaign that delivers a positive return on investment (ROI), what are some of the most important elements you'll need to focus on to succeed? Pause and take some time to think about this.

I recommend closing this book and closing your eyes to reflect on this. Think about a campaign you've been impressed by—what made it work so well? See you back here in twenty minutes.

What is the white space you are capturing?

Welcome back. Allow me to help share some thought-starters. What's the white space in the marketplace where there is an unfulfilled consumer need not being met? Whose attention are you trying to capture? What need are you trying to fulfill? Next, think about the consumer or business that's most in need of your product or service. Everything in your marketing campaign will stem from this. So, before we leave the gate and start developing ads and spending media dollars, make sure you're clear on who the right person is to whom you will direct a large majority of your marketing funds.

You need to know intimately who your core customer is to achieve the ROI you set out to accomplish with every dollar you invest in marketing. I'll help you explore this further through other exercises and analyses later in this book.

Let's keep going. What else is essential once you fully understand who your most important customer is? What's your unique selling proposition (USP)? What's your brand's purpose? What's your brand's core DNA and how will it enhance a person's life? How is your product or service unique in fulfilling your target audience's unmet need? The right message can't be achieved without understanding what makes a consumer interested, attentive, and willing to click through. Knowing what motivates this person is essential. Your message should embody and take advantage of this knowledge.

Let's keep going! Now that you have the right person and message, what else is necessary to make your campaign excel? Feel free to take another break—go for a walk or get a bowl of your favorite ice cream—whatever helps get your creative juices flowing.

Welcome back. I hope this is a good time and I have your full attention. Did I say time? Yes, the timing of your message is paramount! The right time is when the person you are sending your message to is captivated, undistracted, and as close as possible to the time they need and desire to purchase what you are selling to them. We don't want to sell wedding rings to already married couples. We don't want to sell ski products in July. What if we were launching website for dog products? We would only want to target dog owners. However, a new survey states that most dog product purchases happen within the first six months of ownership. This added insight enables us to focus on *new* dog owners when the timing is optimal for them to purchase our products.

Timing your message matters

As I shared in my introduction, timing matters, as seen from my Wendy's example. Up to this point, we have identified that reaching the right person with the right message at the right time will optimize the effectiveness and ROI of our marketing investment.

However, another critical aspect to a successful marketing campaign is often overlooked. Think about where your message is delivered. It might have great timing, but what if it ends up being shown on a fraudulent website or a streaming program that does not reflect your brand's ethos and message? What if your ad appears on a site not culturally relevant to your target audience? What if you just produced a new video ad shown on X with very few views when it could have appeared on TikTok and Instagram with far greater engagement?

Delivering the right outcome

Ultimately, you want your campaign to deliver the right outcome that is measurable, profitable, and aligned with the outcome you are setting out to achieve. We will drill down on this in Chapter 10.

Marketing evolution

My marketing experience began when I was fresh out of college selling *Yellow Pages* (printed phone book directory) ads. This provided me with a front-row seat to the power of advertising. I consulted with companies on expanding their storefront by adding listings under an associated heading (think Google ad words). For example, a glass repair shop could be listed under several headings, such as glass, glass repair, and home improvement. A business's regional footprint could instantly expand by adding an ad in a neighboring town's directory (think of geo-segmentation or geo-targeting used today for digital advertising placements).

The *Yellow Pages* taught me everything I needed to know about marketing at the time. Little did I know that it would prepare me for a massively changing world.

With today's vast ecosystem of new and emerging data-driven technologies, businesses have infinite choices when it comes to marketing. While you could say the changes have been evolutionary, you'd also be correct if you described the transformation as revolutionary. Let's examine how the marketing function got to where it is today.

Marketing messages have been around since the beginning of time. Remember the hieroglyphics and cave drawings we learned about in grade school? People were exposed to these communication symbols in ancient civilizations. Fast forward to the nineteenth and twentieth centuries, when mass media, including newspapers, magazines, broadcast television, and radio, led the way for brand awareness.

One such campaign epitomizing advertising in the age of mass media was the iconic 1950s Volkswagen Beetle ad by Doyle Dane Bernbach (DDB) that featured the new automobile from Volkswagen with a photograph of the car, and clever, humorous, long-form copy under the heading, “Think Small.” The only measured sentiment was how cool and creative the advertisement was. DDB was credited with the greatest ad of all time in 1959, as agencies were evaluated by the creative and likability of the ads, not by the business outcome.

Creating awareness is critical, but modern-day marketers need to demonstrate ROI. As John Wanamaker, considered one of the pioneers of modern marketing, famously said, “Half the money I spend on advertising is wasted; the trouble is I don’t know which half?” The question wouldn’t be answered until the early 2000s when the digital age loomed and began delivering precise, measurable, data and science.

Accountability leads the way

With the help of cutting-edge technology, gone were the days of placing an ad and hoping to sell something to someone. Today’s marketers are responsible for reaching the right audience, converting them into leads, and, ultimately, sales. What’s more, these are cost-effective techniques in a modern marketer’s toolbox. Nearly every tactic, from advertising performance to social media campaigns, is proven through advanced measurement tools. Marketers use all these tech-driven—quantitative and qualitative—

capabilities to help identify and build customer relationships and drive sales, revenue, and profitability. Now more than ever, chief marketing officers (CMOs) and their teams are held accountable for demonstrating tangible business results and ROI.

The average tenure for a CMO today is just 3.5 years. Why is this? Because today they're accountable for every marketing dollar invested and responsible for their company making their quarterly revenue forecasts. Four missed quarters can result in termination. CMOs must also keep up with the latest trends and technologies, or they will fall behind and be replaced by marketing professionals who are better educated and equipped with the experience and skills needed.

Modern day marketing is interdisciplinary

The marketing classes I teach often involve marketing, technology, finance, and analytics students. Marketing today is multifaceted. Many CMOs today have a technology background, which helps them select the most effective marketing technologies to automate and optimize their campaigns. Universities have adjusted their curriculums to include classes, majors, and master's degrees focused on marketing intelligence and analytics. MBA degrees are more valuable than ever as they contain a multifaceted curriculum. A successful marketing professional today needs to be able to work across several departments in addition to marketing, including research, consumer insights, technology, finance, and ad creative development. MBA curriculums also include classes on influencer marketing and social media. However, a student who

wants to enhance their viability to enter a marketing career also has an option to get a master's degree in Marketing Intelligence, which is usually half the credits needed to earn an MBA.

With executives questioning the impact of marketing, it's critical for practitioners to keep pace and understand the new technologies which enable them to collect, analyze, and interpret vast amounts of data in real time. This information provides insights into customer behavior, preferences, and trends, allowing businesses to make informed decisions. From this enormous data collection and analysis, marketers can glean insights into an endless treasure trove of consumer mindsets, behaviors, preferences, trends, and more.

Garbage in, garbage out

Although these insights help power efficient and consistent campaigns, human marketing practitioners are in the driver's seat when analyzing the data, identifying and interpreting the insights, and creating strategic direction and action. Data is only as good as the marketing talent who keenly understands it and can put it into play effectively. This can't be understated. AI is making it easier to get more timely data. However, as the saying goes—"garbage in, garbage out." Marketing professionals need to be skilled at producing input queries that align with the sought-after output. Marketers also need to be able to interpret data and create insights in a storytelling format that their internal teams and outside partners will clearly understand.

The Internet would change media and advertising to an “always on,” data-driven, omnichannel paradigm, which AI is increasingly optimizing. Think mobile, social, real-time location tech, contextual advertising, and more.

The consumer is king



Today, people are bombarded with messaging 24/7 on every channel and all their devices—whenever and wherever they are. Data-driven tech—AI, IoT, wearables, 5G, AR, VR—will continue to advance. So, too, will the marketing function experience historic growth and transformation at an unmatched, accelerated pace.

The consumer today is king—they hold all the cards. They’re in charge and in control. Watching media on their mobile devices all the time. Wherever/whenever. Their entertainment system goes with them everywhere. They scroll their feeds in TikTok, sports score, and IG in a matter of seconds. Marketers need to find these customers

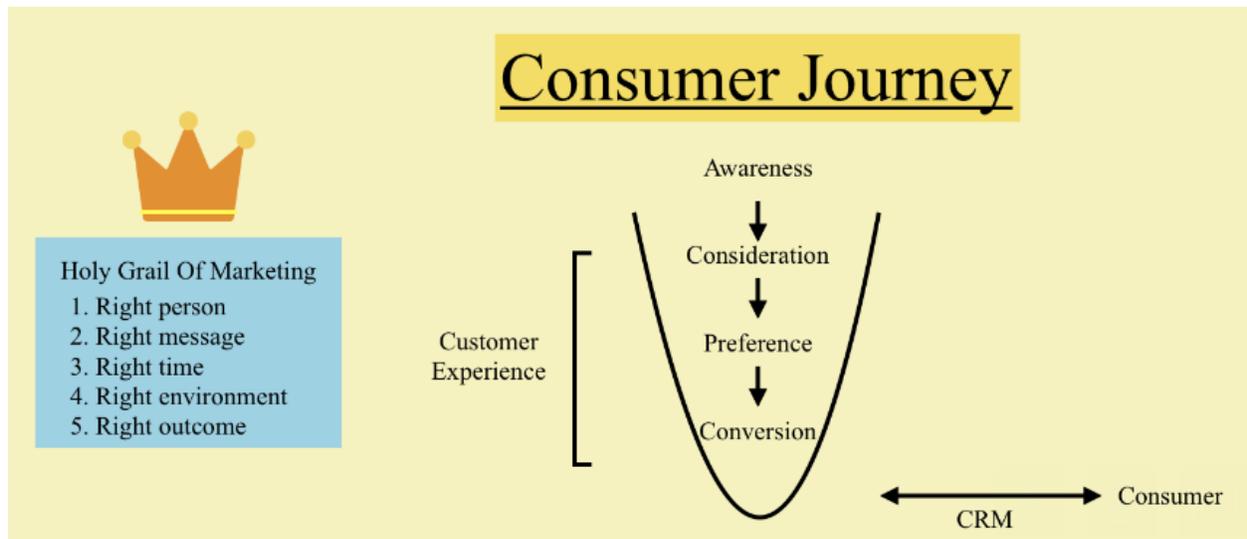
where they are consuming media. This practice harnesses data, AI, and other advanced technologies to determine consumers' needs and desires. It's about reaching the *right person* with the *right message* in the *right environment* at the *right time* with the *right outcome*. To optimize and achieve the Holy Grail of Marketing it's important to know where your targeted consumer is within their consumer journey.

Calibrate your marketing to where your consumer is in their journey

If you are marketing a new product with mass appeal and your main goal is to raise awareness of your brand, you will want to activate the top of the consumer journey/marketing funnel (see figure below) that delivers the broadest reach. Think Super Bowl ads on network TV. If you want to move your consumer from consideration to preference, you will need to develop messaging that educates the consumer on why your brand is key to delivering on their needs and desires.

If you are looking at your next quarter's numbers and you see that sales are slipping, you'll likely have to shift marketing dollars toward the bottom of the funnel with activities to increase conversions/sales. Some of these efforts could include promotions with coupons through newsletters, direct mail, or point of sale (POS) in retail locations. You might also want to look at how to increase sales from current customers who have purchased from you in the past. This is where you will activate your customer relationship marketing (CRM) efforts to embrace your most loyal customers. This is where brands should focus on the 80/20 rule: 20 percent of your customers deliver 80

percent of your sales. So, if you're selling diapers you will want to send special coupons to your bulk-purchasing consumers to incentivize them to buy more, now.



After determining the right person, the contextually relevant message is as imperative as the environment. This is what makes or breaks the customer experience, resulting in a positive or negative impression of your brand.

How a start-up used data-driven insights to achieve the Holy Grail of Marketing

How can a start-up break into an established category, rapidly removing barriers, alleviating consumer pain points, and successfully disrupting a multibillion-dollar sector?

The odds seem impossible.

Unless you're Harry's—the trendy, direct-to-consumer shaving company founded by Jeffrey Raider, a cofounder of Warby Parker, and Andy Katz-Mayfield in 2013. The two

entrepreneurs took on the P&G-owned giant Gillette, which at the time commanded more than 65 percent of the market share.

Harry's cracked the market with a subscription business boasting affordable, high-quality shaving solutions. In a matter of months, the company gained significant market share, becoming a competitive threat in the razor sector. Harry's would become a global powerhouse within five years with a whopping \$1.7 billion valuation. Today, Harry's is a \$400 million+ brand.

The company originated after Katz-Mayfield went shopping for a razor at his local pharmacy, leaving him uninspired by what he considered a dull product at an unreasonable price. After identifying this white space in the market, he and Raider reimagined a high-quality shaving experience sold directly to consumers through convenient, affordable subscriptions.

Let's take a look at how Harry's came out of nowhere, with game-changing speed and success, utilizing the Holy Grail of Marketing:

Right Person

Harry's target audience was the urban millennial male in his 20s and 30s, interested in feeling and looking their best.

With a team of twelve employees, Harry's developed a savvy word-of-mouth referral engine. Each person contacted their respective network of friends and family, inviting them to Harry's landing page, where they opted in.

At the same time, Harry's created a simple game of prizes, building engagement and transforming their nucleus of early customers into a more extensive network. The more people they'd refer the more free prizes (swag!) they could win. For five referrals, they won free shaving cream; for twenty-five, a free shaving set; and for fifty, a grand prize of a one-year supply of razor blades. These incentives resulted in the network's growth to an incredible 100,000 email addresses of prequalified fans—before launch!

Harry's essentially led a grassroots campaign via gamification to build a referral engine. The audience, in turn, raised Harry's visibility and increased its brand awareness by leveraging word-of-mouth marketing.

Seventy-seven percent of the emails came from referrals, meaning approximately 20,000 people referred about 65,000 friends. This is referral marketing at its best, leveraging customers' satisfaction with products and services.



It's important to note that Harry's also generated backlinks through this network. The more backlinks were posted about Harry's, the more Harry's name and messaging around its products and experience were prioritized in SEO queries.

“In a virtuous circle, Harry's marketing strategy is defined by its customers, both the consumers and producers of their content. It may sound radical, but every team at Harry's is directly involved in speaking to our customers and finding out what makes them tick,” explained Jenni Lee, former head of brand and marketing at Harry's, when describing the company's core audience.

Harry's succeeded at identifying and building strong connections with a loyal audience before launching its subscription service.

Right Message

Harry's had a story to tell. Their narrative—the right message—was core to their strategy from the get-go and fundamental to their success. Harry's focused on their core brand purpose to deliver an affordable, stylish razor to a young customer's home.

First, very few companies acknowledge that razors are expensive, but Harry's explicitly referenced the high cost of shaving in their marketing on their "About page." This recognition of price profoundly resonated with people because they agreed. Harry's reinforced the buyer persona's pain (expensive razor blades) and positioned itself as the innovative, stylish solution (custom-made razor blades at affordable prices).

Second, people love rooting for the underdog, and with a daunting uphill battle at launch, Harry's went head-to-head unapologetically with the category leader, Gillette. They positioned themselves as the new kid on the block, embracing their role as David to Gillette's Goliath.

Harry's articulated its underdog image consistently throughout its compelling advertising campaigns and earned media coverage. The positioning was also reinforced by customers' comments on both their own social channels and Harry's.

Harry's was selling an experience that combined shaving with style and affordability with story archetypes that resonated with people. Their narrative connected with consumers emotionally, giving them the information they needed to embrace Harry's.

“We remind ourselves to treat customers like our peers and speak to them like humans. Avoid treating people like a statistic or data point, as people want to be spoken to like another human or friend,” explained Lee. “Our consumers are our biggest influence. We’re constantly speaking to them to find out what they want if they have a problem to be solved or how they want to be communicated with.”

Harry’s succeeded in creating relatable, compelling storytelling that inspired and empowered people to become customer brand advocates.

Harry’s marketing team created numerous photos, quick videos for social sharing, and language to tie it all together. A great example is the #ownyourAM hashtag on both Twitter and Facebook. This hit home the image of the peaceful, paradisiacal morning which resonated with Harry’s customers!



Right Environment

Harry's strategically meets its target audience of young millennial men online—where they consume media. The company first reached this group primarily through the word-

of-mouth referral network they built on social media platforms such as YouTube and Facebook.

Leveraging gamification tactics, Harry's drove consumer engagement with product giveaways. Harry's tapped into the power of its online network of loyal customers who evangelized the brand experience within its networks.

In addition to leveraging their brand ambassadors on social media, Harry's introduced a new product line exclusively at Target in 2016. It was no accident that they chose a mass-market retail distributor that shared a focus on reaching millennial, middle-class shoppers through the creation and curation of experiences.

"Our brands share many of the same values," Katz-Mayfield said, describing the partnership. "We both appreciate exceptional design, we're focused on offering high-quality, affordable products, and we always try to put customers first."

Right Time

Reaching millennial men who care about value and price point was critical for Harry's but reaching them at the right time was equally important.

As discussed earlier in this chapter, people are bombarded with marketing messaging and ad clutter. Capturing consumer attention is challenging, so Harry's had to develop innovative, nonintrusive ways to connect with its target audience.

Creating content around significant, monumental cultural moments that reflected the brand's personality was how Harry's built and strengthened consumer engagement.

For example, Harry's launched National Shave Day on December 1, 2013, appealing to men who needed a good razor after not shaving during Movember. If you're unfamiliar with Movember, it's the annual event promoting the growth of mustaches during November to raise awareness of men's health issues.

Harry's rode the coattails of this cultural moment, and they created a message to appeal to their target audience in a timely, prescient, and actionable way. Men who didn't shave during Movember desperately needed a shave.

John Gillis who was the former director of digital products during Harry's early days shares, "It's interesting to think about 'excuses' to talk to people—everyone wants something to talk about. The more unique to your industry or brand something is, the more you can get away with turning a non-event into an event. For example, all Brands want to celebrate global impact events such as Pride or Valentine's Day but can you find a more authentic brand moment to start a conversation? E.g., Taco Tuesday. . . .

The key to finding these appropriate moments always come from knowing your customer better and knowing what they care about.”

Harry’s story (right message) resonated with existing and prospective customers (right person)—but Harry’s critical timing facilitated the demand for the product. As the saying goes, timing is everything. The company experienced a 360 percent increase in website traffic during this period.

Right Outcome

Harry’s achieved the Holy Grail of Marketing, excelling at every step of the marketing process: a robust and authentic connection with the target audience (right person); compelling, emotional storytelling (right message); thoughtful and appropriate media (right environment); and a timely, even prescient moment that activates consumer behavior—think bottom of the consumer journey/marketing funnel (right time). Together, the sum of these parts resulted in Harry’s meeting and exceeding its revenue goals and catapulting the company into an industry giant and one of the most successful start-ups in history (right outcome).

Case Study: Cheat Sheet

Right Person. Harry’s identified its target audience as millennial, price-conscious men who cared about feeling and looking good. To reach this group of individuals, the

twelve-member launch team created a game for people to win prizes in order to build brand awareness and heighten consumer engagement. Their gamification tactics reflected referral marketing at its best, as Harry's built a referral network of 100,000 email sign-ups. Even before the product launch, Harry's identified a group of loyal brand ambassadors and evangelists. It reached the right person.

Right Message. After identifying white space in the shaving market, Raider and Katz-Mayfield developed an irreverent, anti-big razor narrative, breaking down significant barriers to entering an established category. The cofounders understood what people sought and wanted in the shaving experience and assumed the underdog David to Gillette's Goliath. The emotional, relevant storytelling resonated with people. It was the right message.

Right Environment. To capture the attention of its buyers nonintrusively, Harry's meets its audience of young millennial men where they are—on their social media platforms. Since its introduction, Harry's has communicated to their target audience in a dialogue format. While the company created and distributed customized content for its consumers on its social feeds, Harry's also monitored their customers' feedback and brand sentiments, both the good and the bad. Harry's used social media to heighten brand awareness, strengthen engagement, and extend its loyal customer base. They found the right environment.

Right Time. After developing compelling storytelling and identifying the core consumer, Harry's sought the right moment to capture the audience's attention. With creativity and innovative thinking, the team created monumental moments pegged to pop culture, like the successfully executed National Shaving Day campaign, which increased significant traffic to its website, strengthening consumer engagement and sales.

Harry's also leveraged hyperpersonalization tactics by enhancing the shaving experience for a low price, honing the consumer journey. The company provided prospective buyers with various options when they wouldn't complete their online purchase, driving bottom-of-the-funnel marketing. Like the referral engine they built, Harry's offered incentives, such as a free product trial—they converted prospective customers into buyers at the right time.

Right Outcome. Harry's brilliantly achieved the Holy Grail of Marketing. Leveraging the right person with the right message in the right environment at the right time—they achieved the right outcome. The creation and implementation of these factors drove Harry's enormous, record-breaking success. Harry's strategic marketing activations and campaigns incorporated each of the steps above and together powered its unprecedented success. The Holy Grail of Marketing can only be achieved when all its parts are activated and optimized. Every step is necessary.