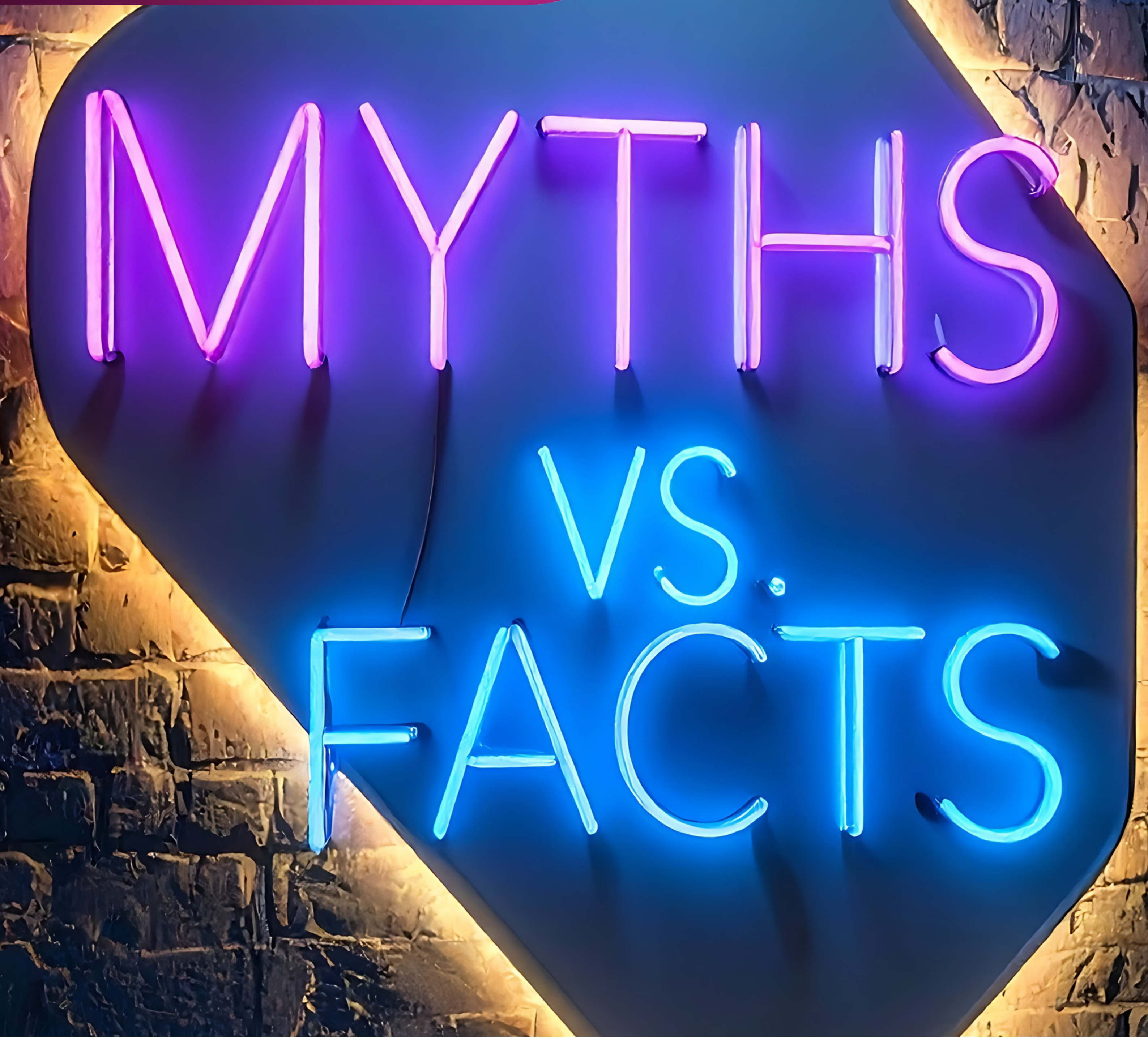
Marketing Mythbusters

Six common marketing misconceptions – and the truth behind them



the marketing centre

Supercharged Fractional CMOs

1 Introduction: Marketing Myths

The world is full of myths – well-established ‘knowledge’ that simply isn’t true. Mount Everest is not the world’s tallest mountain, for instance. The Great Wall of China can’t be seen from space, and the word “sushi” does not mean “raw fish”.

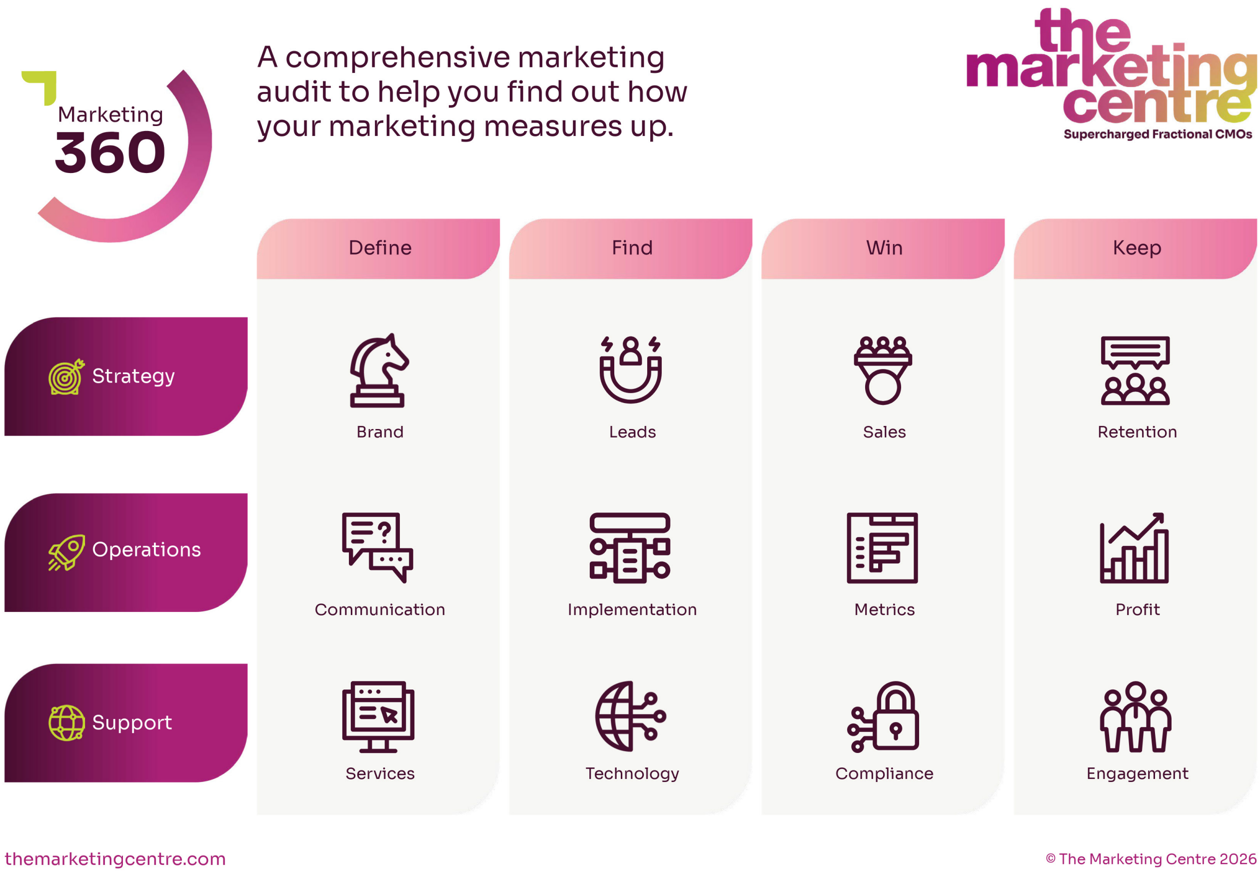
Marketing is no different. Our field is laden with misunderstandings and misconceptions. Quite a few of them originate with marketers – or at least with self-proclaimed experts who don’t have the credentials, experience or clarity to support their claims. They may not walk the walk, but they talk the talk, specifically to business owners who aren’t clear about the role marketing plays in their business, who pass those ideas on to their peers – and the myths just keep on spreading.

A proven, experienced Marketing Director has built up the meaningful insights and practical experience necessary to spot and debunk these myths. Our Directors have come together, identified the six most widespread and consistent marketing myths they’ve encountered time and time again – and explained exactly why they’re wrong, untrue or simply the result of a misunderstanding.

We’re here to prove that marketing isn’t just about lead generation, or brilliant ideas; that marketing isn’t an unnecessary cost; that not everyone can do PR; that you can, in fact, measure ROI in digital marketing, and that creating content is not as easy as it looks.

Marketing is rife with misunderstandings, misapprehensions and outright mythology. A proven, experienced CMO has the experience it takes to debunk the myths and show a businesses the right way to go.

2 Myth 1 – Marketing is all about lead generation



People like to say marketing is all about leads. It's easy to see how this myth got started. New leads mean more business, and lead generation is marketing's job – right?

Well, yes and no. Lead generation is certainly a function of marketing, but it's not the sole job of it. Marketing is about company culture, brand, employer brand, research, positioning, pricing, customer service, retention – almost everything your business does.

The truth – marketing is a whole-business function

Our Marketing 360 framework establishes four fundamental functions that marketing performs within a business: it can define, find, win and keep customers. Each of those functions has to be carried out at three levels: strategic, operational and support (the plan, what you do, and how you ensure you're doing it well). Lead generation occupies only one point on that grid, at the strategic level. This isn't to say lead generation isn't important, though – it informs the other stages in the strategic chain, and reaches down into the operational and support stages. To show how lead generation is part of the marketing function, we'll go through the strategic process step by step.

Define: establish your brand

Who is the customer? What do they need? What can you do to fulfil those needs? Answering those questions means you're ready to establish your messaging (how you tell people your product or service can do what they need) and the culture within your company (how you go about proving it). This stage informs everything else you do, at every level, including the next stage in the strategic chain.

Marketing is a whole-business function. Lead generation is only part of it.

Find: generate your leads
Finding customers? That's lead generation. Whether you're in B2B or B2C, you need to establish what your potential customers have in common, which communication channels they use, and which routes to market they're likely to take once they've heard your message. This informs your operational level (the specific things you do to generate leads) and support level (identifying and sourcing technology to support your business' growth).

Win: align your sales team
At a strategic level, this is about the tools and messages that move your customers along their journey, and that identify the accounts the sales team need to target as a matter of priority. This is sales alignment – the process by which you make sure your sales and marketing personnel both understand their roles in converting a customer, and know when a customer becomes sales' responsibility.

Keep: retain your customers
Customer retention is the final stage in the strategic chain that leads into and through lead generation. This is where you identify the specific marketing activities and after-sales care that will keep customers on board, and the opportunities for cross-selling and upselling. It's also where you engage in dialogue with your customers and let their feedback inform your decisions at a strategic level, adjusting operations and support where necessary.

All of these functions have an equal weight within your marketing strategy, and inform the operational and support activities that put that strategy into practice. Marketing takes in the entire 360 – the setting, testing and analysis of marketing plans, establishing of processes and segmenting audiences for better targeting. It's an ongoing process that you'll constantly be improving throughout your time as a business leader – and it's about so much more than generating leads.

3 Myth 2 – Marketing is all about brilliant ideas

Non-marketers think about their favourite ad campaigns – the ones that are part of popular culture – and think that catchphrase, gimmick, hashtag or strapline is all that matters.

Many business leaders see marketers as "ideas people" – they're on the staff to come up with something crazy and creative in every meeting, throwing mud at a wall until they get the one thing that sticks, goes viral, and gets press.

If marketing was that easy, we'd all be out of a job. Marketing is more than just creative thinking – it's the process of research, planning and meticulous testing that goes into improving business results. Art, yes; but plenty of science too.

The truth – marketing is about your plan

Innovative ideas are only part of the process. You need a healthy blend of inspiration, execution and measurement to make a marketing plan that gets results. The creative talent has to fit within a wider marketing strategy that relies on proven methods to achieve specific business goals. The essence of a marketing plan covers:

- **Objective** (what you're trying to achieve)
- **Strategy** (the approaches you'll use to achieve it)
- **Execution** (the creative material that you'll use to enact the strategy)
- **Testing** (reviewing the execution to see if it's achieving the objectives)
- **Adjustment** (doing more of what works and less of what doesn't)

Those classic adverts you remember were created with marketing plans in mind. To prove it, we'll walk you through an example. "*Should have gone to Specsavers*" didn't appear out of nowhere: it was part of a plan. The objective? Creating a helpful, human brand that made a difference to customers' day to day lives. Their strategy? Presenting those values through a series of TV adverts that showed, not told, the value of their product. That's when the creatives – the ideas people – came in and came up with a one liner. The business kept using the slogan because it was proven to work – and because the bottom line was affected when they changed it.

Proving that your marketing works on a small scale is extremely easy. Your marketing team will test and measure results – often running two versions of an email message or web page to see which performs best. Those tests will be fed back to you through your marketing dashboard, so you can make your decisions based on data rather than bright ideas.

For moments of inspiration to serve your business goals, they need to fit into a broader and deeper marketing process. You need to emphasise your business' goals and budget, and the audience's preferences and desires, and then start workshopping ideas that align with those essential elements. Once the ideas are executed, you need continuous testing, measurement and analysis to improve their effectiveness – and their return on investment – as you find out what really makes your audience tick.

Marketing is a strategic function; it's about planning, direction and objectives. Creative talent and big ideas are only part of the process.

4 Myth 3 – Marketing is an expensive business cost

Most businesses are aware that they need marketing to keep up with the competition – but many of them find they're spending more than they should, to achieve less than they could.

Marketing is expensive.

There are salaries for marketing directors and managers; fees for third parties like content creators, SEO consultants, brand designers, market researchers and PR professionals; there's Customer Relationship Management software, website redesigns, event stands, Pay-Per-Click bills… everything you do to bring customers into your business and keep them there costs money.

If the marketing spend mounts up, and you don't have a clear way to link spend and profit to measurable outcomes, it's easy to end up questioning what you're getting for your money, and see marketing as nothing but an expense.

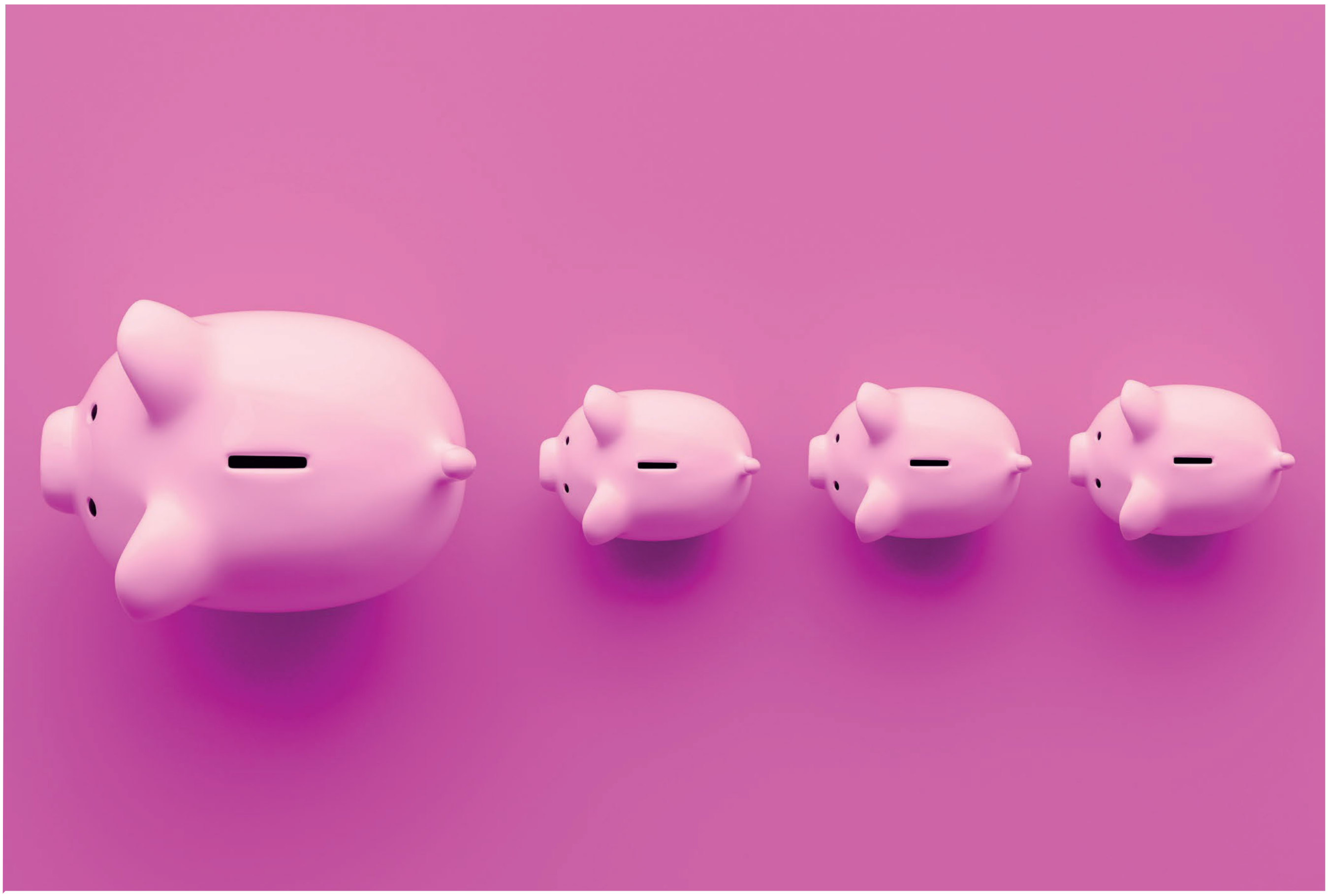
The truth – marketing is an investment, it should bring returns

Marketing consultants and agencies often feed the myth by using vanity stats to justify their work. They say things like "we've had twelve million impressions, two thousand shares, five influencers have talked about it and we've won two awards." This is all well and good, but if it doesn't lead to an actual increase in profits, what does it matter?

Marketing is an investment. It should earn you more than you spend on it, and what it earns should be measurable in monetary terms.

Marketing spend is justified by its impact on specific business goals – a set number of customers spending money.

Therefore, the very first conversation you have with your marketing director should be about what success looks like, and what investment is necessary to get there. Start with the end of the process and work your way along:



- How much does each customer spend over their lifetime?
- How many leads does it take to secure each sale?
- How many contacts need to be gathered to generate one lead? 11
- How much web traffic did it take to secure that many contacts?
- How much does it cost to create content that brings in that much traffic?

That conversation defines the return you're looking for and the investment you're making to get there – and that's how you know your marketing spend isn't money down the drain. If your marketing director starts talking about digital, social, trends and stats before they work through these questions, they're dealing in myths.

Marketing is all about Return On Investment. Every penny you spend should lead to profit – sooner or later. Follow the money by following your customers' journey.

5 Myth 4 – Anyone can do Public Relations

Public Relations? What is it good for? It costs money, it promises more than it delivers, and it basically comes down to boozing it up with journalists.

The very term "PR" calls up an immediate picture of spin doctors with big salaries, schmoozing over expensive lunches and calling it "networking." Nothing to it, right? Give that gig to anyone from the C-suite who fancies a long lunch hour…

This bad reputation dates back to the heady days of mid-Eighties marketing – a time of insane budgets and zero accountability. *PR people* didn't speak to anybody who wasn't "somebody" and there was *a hip flask in every desk*. Today's PR industry is more professional, more organised, and more responsible than it used to be – and its remit goes beyond press junkets.

The truth – PR has professionalised

PR covers developing key messages, segmenting the target audience, and smart targeting with the right materials. PR teams are responsible for event support, speaker placements, award entries, analyst relations and crisis management – any point of contact with the public is part of their remit. PR is nuanced, responsive, and always on. In other words – it's a full-time marketing responsibility which you can't afford to assign to anyone who just wants a long lunch break.

No amount of PR can completely control what is said or written about your brand, but good PR shines a positive light on the good work you do and the specific accomplishments you've achieved, increasing your brand visibility and brand equity.

Great PR can be, and is, accountable, too. PR can show ROI, as long as clear business goals are set. If you're trying to grow your presence on social media, then analytic tools like Brandwatch can monitor activity, conduct sentiment analysis and count every mention of your brand online. If you're trying to drive traffic to your website, you can analyse backlinks (the sites that link to yours and lead potential customers to click through).

For SMEs, PR is often a cost-effective way of creating and building relationships with customers. It can carry more impact and credibility than advertising – which is pure promotion, rather than a dialogue with trusted figures. PR can also position brands within their sector, highlighting unique selling points that differentiate them from the competition.

Ultimately, PR is all about reputation. It's about taking charge of your brand's story – steering the conversation around your brand so you can share your successes and address your failings. You may be nervous about diving in, given the legacy of concerns around PR, but things have changed. Shop around, get recommendations, and find a reputable PR professional – because they do exist.

Great PR can be, and is, accountable, too. PR can show ROI, as long as clear business goals are set.

6 Myth 5 – You can't measure ROI in digital marketing

Digital marketing is huge and diffuse. It takes in Search Engine Optimisation, websites, social media, email newsletters and mobile apps – and it often needs specialists who aren't necessarily marketers.

Digital marketing specialists tend to focus on their own niche. This means they view success and ROI on their own terms. If their work is getting views, likes and shares, it's performing well in the digital space and in digital terms, their work is done. Impact on the company's bottom line? That's not digital. Anyway, they can only measure so much, and ROI is difficult to prove.

The truth – Marketing is always about ROI

Marketing goes beyond communications. It's a series of core principles that define your business and offering. It touches every aspect of your business and it's fundamentally concerned with investment and returns – even in the abstract realm of the Internet.

To be fair, it's not easy to establish the ROI of digital marketing activity. The customer journey is complex, especially when prospects encounter your brand through multiple digital channels before they decide to engage. If you ever want to start a fight in your digital marketing team, ask them what matters more – first or last touch attribution. Is it the first contact with your brand that matters most, or the last touchpoint before purchase?

Marketing software can track, analyse and predict user activities – monitoring backlinks, bounce rates and clicks on your own website – but this detailed journey mapping isn't the only way to measure marketing ROI. Businesses without the budget for an expensive software package can instead focus on two essential metrics that indicate digital marketing ROI: marketing as a percentage of sales, and cost per acquisition.

Divide your sales income by your digital marketing spend and you'll be able to express **marketing as a percentage of sales**. Ideally, you should be spending 8-10% of your sales income on marketing activity, rising into the low double figures if you have a new product to push or a new target market you want to break. This figure gives some clarity by showing how much of your return is being churned back as investment.

Key metric:
Cost Per Acquisition = marketing spend / number of customers

Divide your digital marketing spend by the number of customers you've acquired and you'll have your **cost per acquisition** (CPA). The ideal figure is fairly low – but 'fairly low' will vary depending on how many customers you have and how much they are worth. If your average customer is worth £500k over a five year contract, it's worth spending £50k on acquiring them.

For greater clarity, you can also look at customer retention metrics. Your chance of making a new sale to an existing customer is around 60-70%, compared to 5% for a newly generated lead. Track your customer lifetime value (the average amount each customer spends while they're still buying from you), churn rate (the turnover of customers who stop buying each month) and customer retention cost (spend on specific retention-focused activities like after-sales care, divided by the number of customers successfully retained).

You'll notice that none of these figures involve the things that get digital professionals excited – there's no talk here of impressions or reach or engagement. That's deliberate. Don't get lost in the digital details: focus on what you're spending and what you're making. Follow the money and you'll find your ROI.

Key metric: Marketing as Percentage of Sales = sales income/marketing spend

7 Myth 6 – Writing good marketing content is easy

Many businesses believe content is easy – they can post a few hundred words a week about a product, project, or special offer. Nothing interesting happening? Skip a week. No budget? Have the interns do it. It's certainly nothing the C-suite need to care about…

How do customers decide to buy? They look at your website. They read your blog. They watch your videos. They might have found you on social media, subscribed to your newsletter, or downloaded your eBook. In short: your customers find you through your content.

Content is the marketing collateral you create for your business – everything that isn't advertising, press releases, or internal communications that focus on your employer brand.

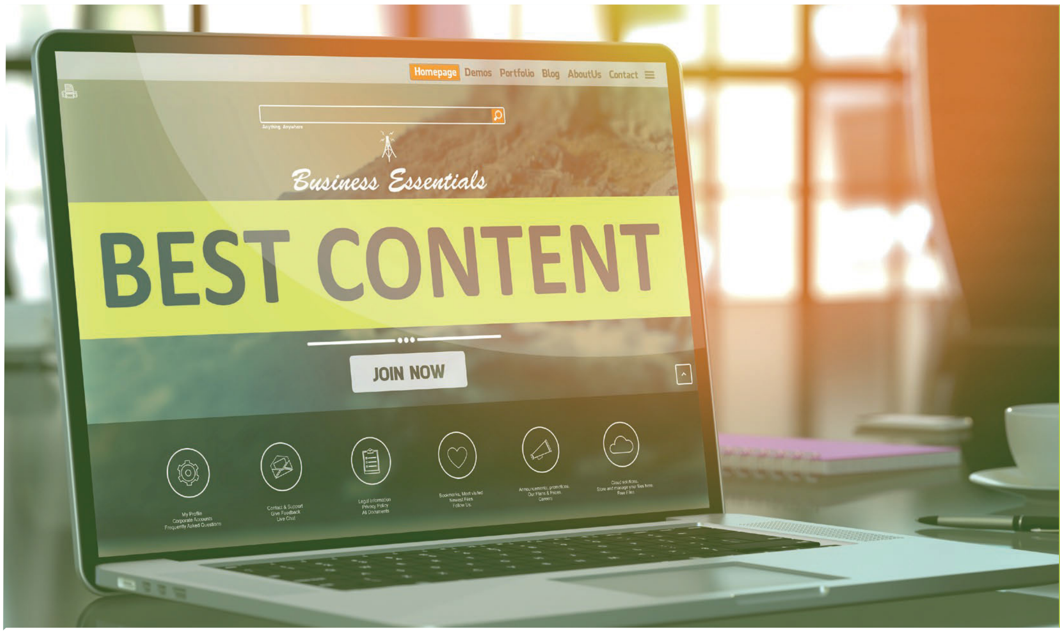
The truth – content is crucial, and you need to get it right

You can create a company blog just by publishing any old guff every Friday, but effective content that actually brings customers in and gets them to convert is a taller order. It isn't cheap, it isn't fast, and it certainly isn't easy.

It takes an average of *14 hours* to produce one piece of short form content, like a blog post or short video – that's hours of work on concept, brief, production, editing and formatting before anyone presses "Publish". That's without strategy, distribution, or handling comments and responses, either. Those hours have to co-exist with all of your everyday business operations, and with the availability of your content professionals, so they're generally spread out across an average of 12 working days.

Good content takes this span of time because it has to be well-written, offer genuine and useful insight, and be targeted with laser precision to the specific audience you want it to reach. That takes research, redrafting, and no small amount of skill.

You can publish bad content quickly and at little cost. But picture your company blog offering no value to the reader and littered with spelling mistakes; every post accompanied by a chain of unanswered comments from unsatisfied customers. Not attractive, is it? In fact, it's damaging your brand equity merely by existing.



1000 words of content take 14 hours to prepare – and 12 days to turn around.

So, what does good look like? Good content is:

- **Audience-led.**
  Your business exists to solve a problem for your customers. Your content should aim to do the same. Focus on their pain points. Everything you publish should be useful to people who don't work for you.

- **Aligned with your brand.**
  Whatever your brand's mission, vision and values may be, your content should extend them. Same tone of voice, same aesthetic, and providing evidence that your claims are followed up by actions in your everyday operations.

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- **Comprehensively planned.** Map out the key points you want to make; research each one; add stats, facts, figures and experiences that prove them. And stay on topic – focus every word of every article on the topic and theme.

- **Aiming for excellence, not perfection.**
  Perfectionism leads to inertia; eventually nothing gets done. It's more important that content comes out on a regular schedule, and that you're agile enough to respond to a bad review or a breakout tweet when it happens.

- **Outsourced**. Last year, a Marketing Centre in-house survey found that 85% of respondents – business leaders included – think they're a better writer than average. Mathematically, that can't be true. It's easy to tap away at a keyboard and get something down eventually, but a good content agency will provide writing talent, strategic guidance and an editorial calendar that gets the most out of your time.

The words, images and videos on your website are always working for you, long after your sales and marketing team have clocked out for the night. Beyond that, the process of creating content helps you define how your business speaks, behaves and thinks. It's helpful, it's useful, but it takes time – and people can spot a rush job a mile away. Take the time, spend the money, and do it properly.

6 Conclusion

Marketing is plagued by mythology. While some of it comes from malicious actors trying to sell themselves as something they're not, the majority is rooted in simple misunderstandings. And that's fine – not everyone is or can be a marketing professional. The real key to busting these myths is recognising that you don't have to be.

As a business leader, you need to know enough about marketing to tell the good advice from the bad; you need the simple, direct accounts of Return On Investment that prove your marketing spend is paying off.

Recognise that marketing is not just lead generation, but a process that draws on and feeds into operations, support and overall business strategy.

Understand that a brilliant slogan, hashtag or graphic is one tiny, tiny part of a well-tuned, targeted, tested marketing plan.

Remember that customers are on a journey, and each marketing activity should lead them closer to the point of sale – even if the route they take isn't direct.

Forget about PR as glorified schmoozing with the press, and embrace it as a constant process of dialogue with the people who tell the world what your business is about.

Bypass the digital demagogues and cut to the chase – what are you spending on digital marketing, as a percentage of earnings, and is it enough or too much?

Accept that anyone can bang out 500 words on a train – but marketing content is more than just a word count and a deadline.

All of these are things you can do, and they'll help. But when it comes to the details, what you really need is a marketing director you can trust.

Need help growing your business?

Our proven team of fractional CMOs help businesses align marketing investment with measurable growth.

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