

Marketing and Strategy

Which came first?

Jimmy Jia

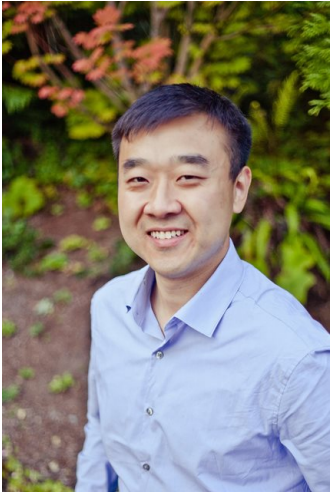
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Hi! – I'm Jimmy



Currently:

- CEO, Distributed Energy Management
- Board Member, Center for Sustainable Energy
- Board Member, Cleantech Alliance

Previously:

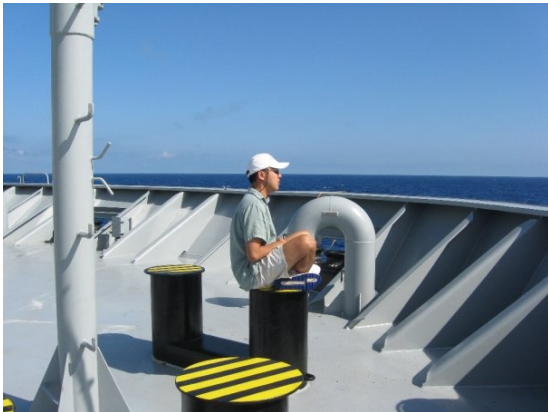
- Associate Engineer, Panasonic
- Territory Manager, Olympus

Education:

- BS, MS, MIT Material Science
- MBA, Oxford University

I'm curious about:

- How can an energy strategy improve competitive advantage?
- How does one spur energy innovations?



Agenda

Part I: What is the difference between marketing and strategy?

Part II: Four questions on setting a marketing strategy

Part III: Questions that I have for you

Part IV: Synthesis

A short survey:

- Take 6 notecards. We will only use 3 for now.
- Label three of them Q1 through Q3
- Please put your name on them too!

Q1	Your name

Q1:

Who is a significant childhood influence of yours who has shaped your world view?

Q2:

What attributes do they have that you try to emulate?

Q3:

What are three values that you believe they represent?

What is *Strategy* and what is Marketing?

Strat·e·gy (stradəjē)

- **Noun:** a plan of action or policy designed to achieve a major or overall aim.

Sun Tzu:

- In war, the victorious strategist only seeks battle after the victory has been won.

Michael Porter:

- The essence of strategy formulation is coping with competition.

What is Strategy and what is *Marketing*?

Mar·ket·ing (märkədiNG)

- **Noun:** the action, or business of promoting and selling products or services, including market research and advertising
- **Verb:** Advertise or promote (something)

American Marketing Association:

- The activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large

Philip Kotler:

- Satisfying needs and wants through an exchange process

Strategy tries to answer these types of questions

- Why? → Vision
- How much? → Allocation of resources
- Which one? → Prioritizes decision making
- Where should we go next and when? → Giving direction

A strategy is an integrated set of choices that drives you towards winning

Marketing tries to answer these types of questions

- What are my customers needs? → necessary values
- What are my customers wants or desires? → peer values
- What can my customers afford? → economic demand
- How do I make a connection? → creating recurring touchpoints
(aka relationships)

Marketing satisfies a customer need through creation, communication, and exchange of goods/services for money

The difference:

Marketing:

- Satisfying a need
- Communicating a message
- ***What am I doing?***

Strategy:

- Reaching an overarching aim
- Coping with competition
- ***Why am I doing it? Who else is doing it?***

Marketing Strategy:

Using strategy concepts to reach ***marketing goals.***

***Are corporation goals the same as marketing goals?
Which one supersedes the other?***

A good marketer will find what's there.



A great marketer will find what's *really* there



Cluster colors, sized by number of pixels:





















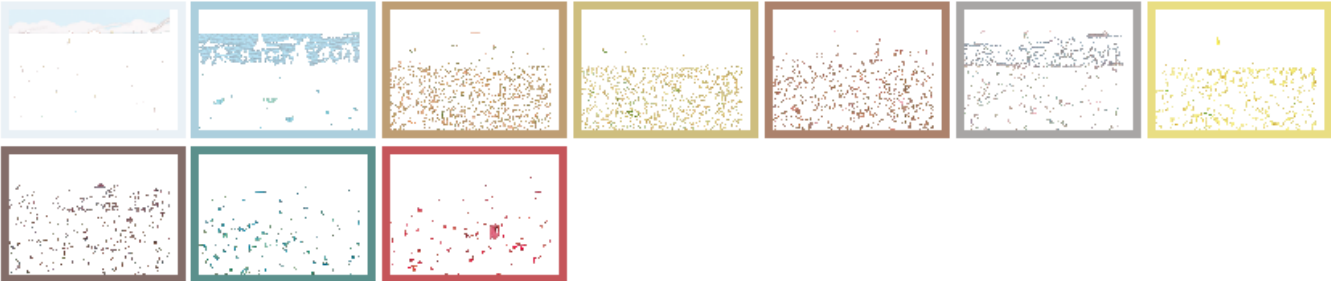
cluster	pixels	name	HEX	RGB	HSV	LCH	Lab	tags
	20.08%	 238,240,243 athens grey $\Delta E=1.9$	#EAF1F6	234 241 246	203 5 96	95 3 242	95 -2 -3	alice anti aqua athens catskill flash haze munsell porcelain solitude zircon zumthor blue grey white
	17.84%	 160,205,217 regent st blue $\Delta E=3.6$	#ACCFDD	172 207 221	198 22 87	81 14 233	81 -8 -11	light altitude belgian escape french half pass regent st blue
	12.00%	 193,160,125 quarter sorrell brown $\Delta E=3.7$	#BE9E74	190 158 116	34 39 75	67 27 78	67 6 26	camel canterbury clay desert double dust fallow lion piha quarter sand sorrell triple wood brown
	11.57%	 208,195,131 winter hazel $\Delta E=2.6$	#CEBE7F	206 190 127	48 38 81	77 34 96	77 -4 34	light beige hazel winter zombie
	9.31%	 166,128,100 medium wood $\Delta E=3.6$	#AC826C	172 130 108	20 37 67	58 23 54	58 13 18	medium wood
	8.81%	 169,165,165 double rakaia $\Delta E=0.6$	#A8A6A5	168 166 165	6 1 66	68 1 28	68 1 0	medium light dark chalice double quick rakaia silver grey
	8.43%	 242,226,137 moonbeam $\Delta E=2.3$	#E9DE83	233 222 131	53 44 91	88 47 100	88 -8 46	light flax goldenrod khaki moonbeam old oldgoldenrod
	5.61%	 135,106,104 ferra $\Delta E=3.1$	#836D69	131 109 105	9 19 51	48 9 34	48 8 5	americano bazaar buffalo dune ferra half kubrick opium pharlap russett sand spicy pink
	3.36%	 82,139,139 dark slate grey $\Delta E=3.4$	#5B908C	91 144 140	175 37 57	56 19 190	56 -19 -3	slate dark baked bounce cyan desaturated half patriot steel teal grey
	2.99%	 196,86,85 fuzzy wuzzy brown $\Delta E=2.7$	#C5555A	197 85 90	357 57 77	51 49 24	51 45 20	bittersweet chestnut dusty fuzzy indian mandy shimmer wuzzy brown red rose

IMAGE CLUSTER PARTITIONS

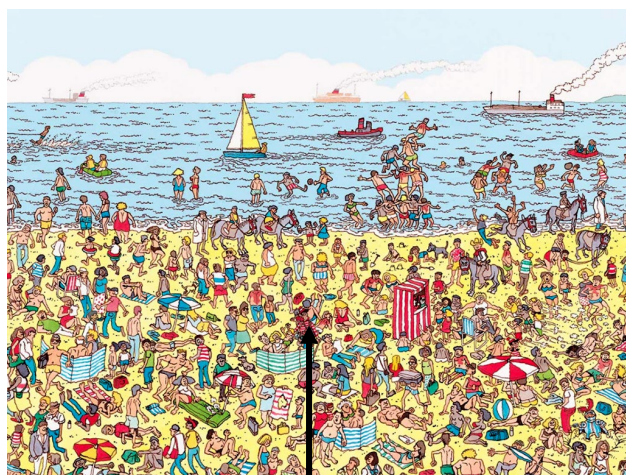
Pixels of the image assigned to each cluster. The border is the color of the cluster as calculated by the average value of its pixels.



A transformative marketer finds what's *missing*.

This image has 453,574 Pixels

What's there



Waldo:
1000 pixels (less than 0.2%)

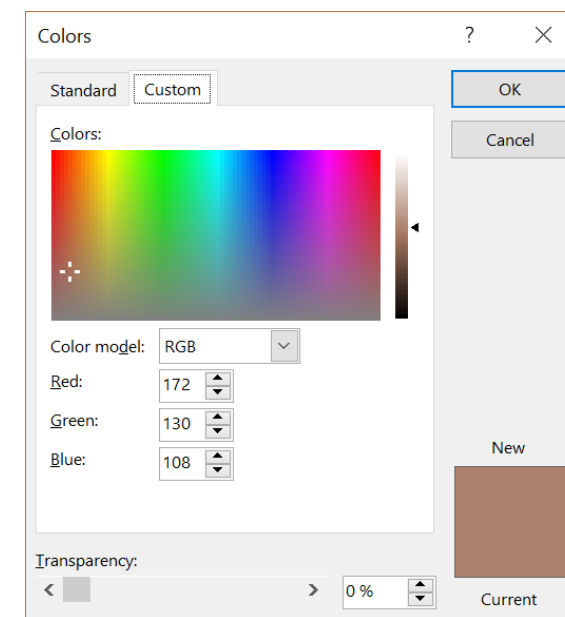
What's really there

Cluster colors, sized by number of pixels:



Athens Gray:
90,000 pixels (20%)

What's missing



Other Colors:
Limitless

Energy Problems in the built environment

Marketing

10% of the built environment



60% of the built environment



Why do few companies sell energy efficiency outside of downtown cores?

Energy Problems in the built environment

Marketing

- Middle market
- Relationship
- Non-existence of savings
- No budget
- No one responsible
- Mixed Tenancy
- Conflicting needs

Energy Problems in the built environment

Marketing

- Middle market
- Relationship
- Non-existence of savings
- No budget
- No one responsible
- Mixed Tenancy
- Conflicting needs



These are just
constraints

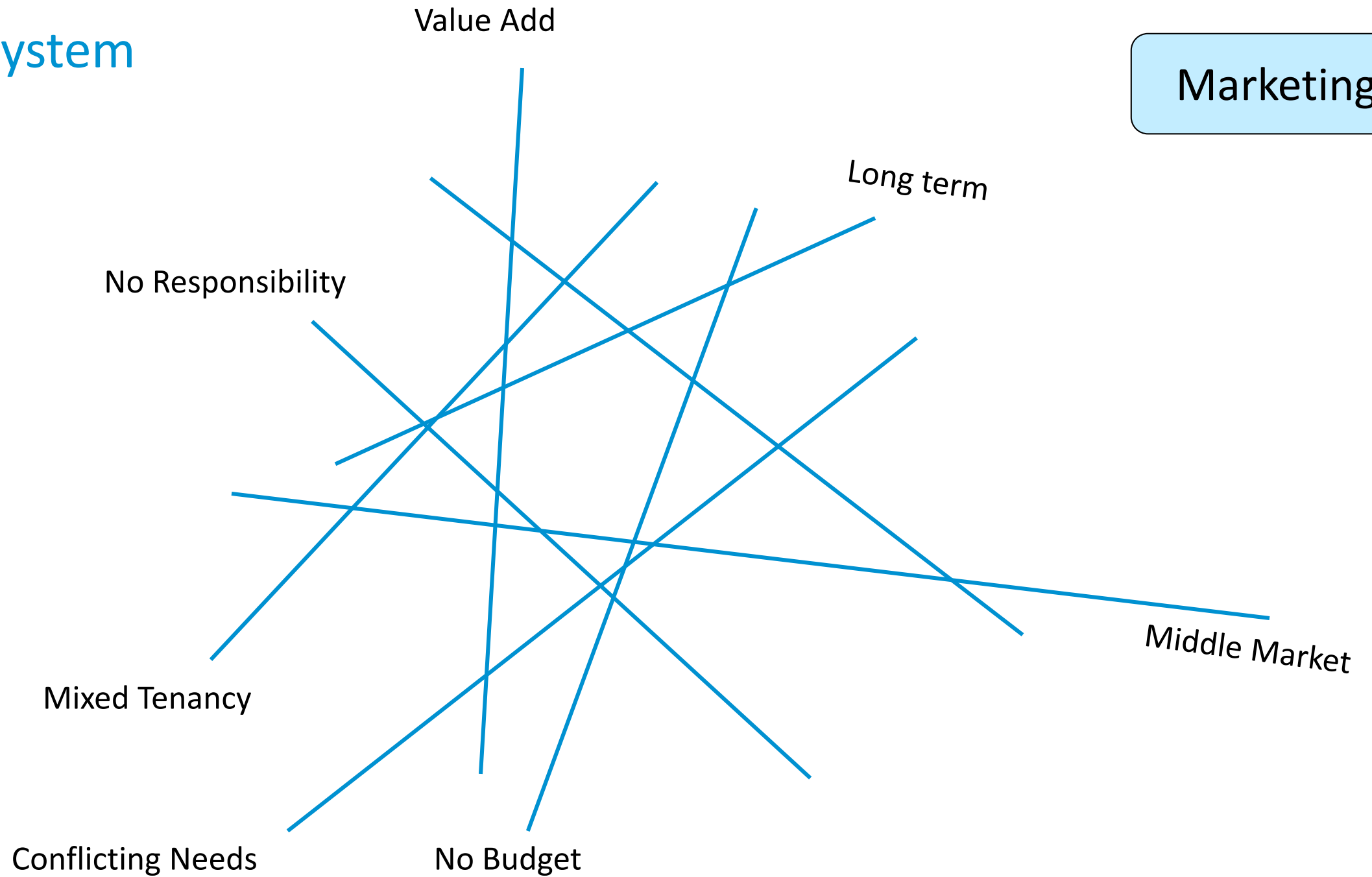
If this is true, what else is true?

Marketing

- Middle market → costs had to be low
- Relationship → service had to be long-term subscriptions
- Non-existence of savings → service had to focus on value add
- No budget → create one for the business
- No one responsible → Sell to upper management
- Mixed Tenancy → Create a simple responsibility matrix
- Conflicting needs → find lowest common denominator

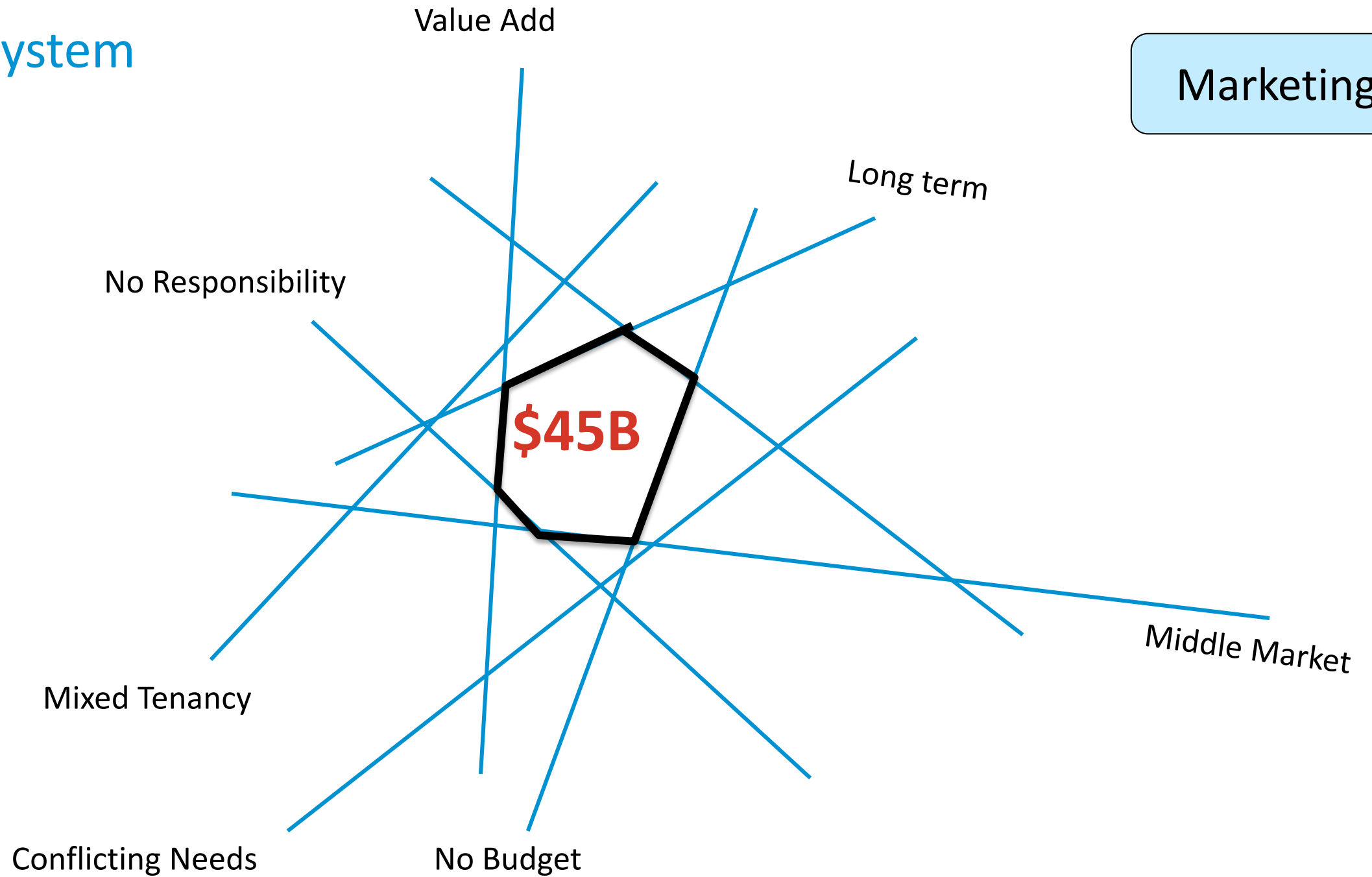
Ecosystem

Marketing



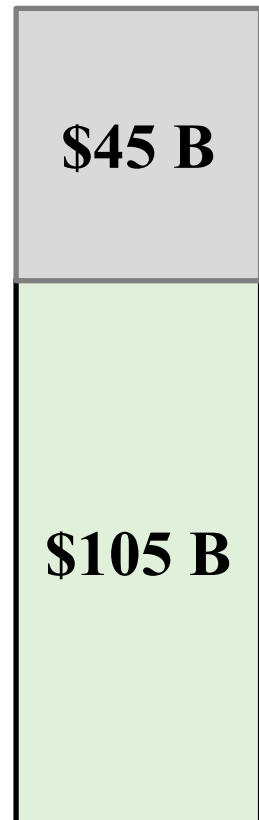
Ecosystem

Marketing



If this is true, what else is true?

**USA Commercial
Electricity Consumption
~\$150 Billion**



← **Wasted Utilities: 30% of electric consumption**

The *Energy Efficiency* industry is positioned to address this problem.

Addressed as a Marketing concern

How can I save money?

← **Productive Utilities: consumed for economic benefit.**

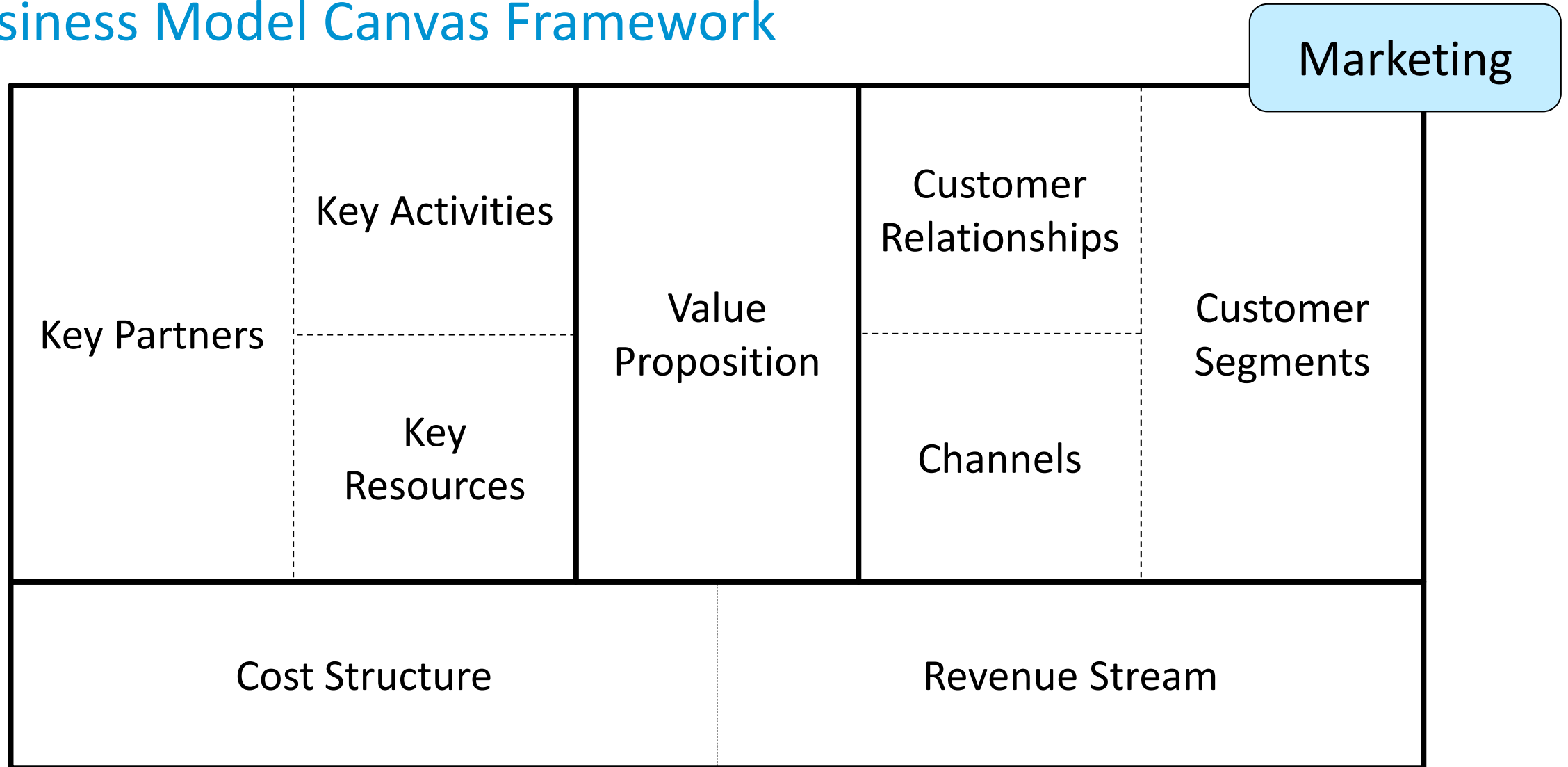
Energy Strategy is designed to consume this wisely.

Why do companies consume energy?

What if outcomes can be achieved with zero energy?

How can companies right-size their resources?

Business Model Canvas Framework



*Its' a very nice framework on covering all of your bases
when starting a company or initiative*

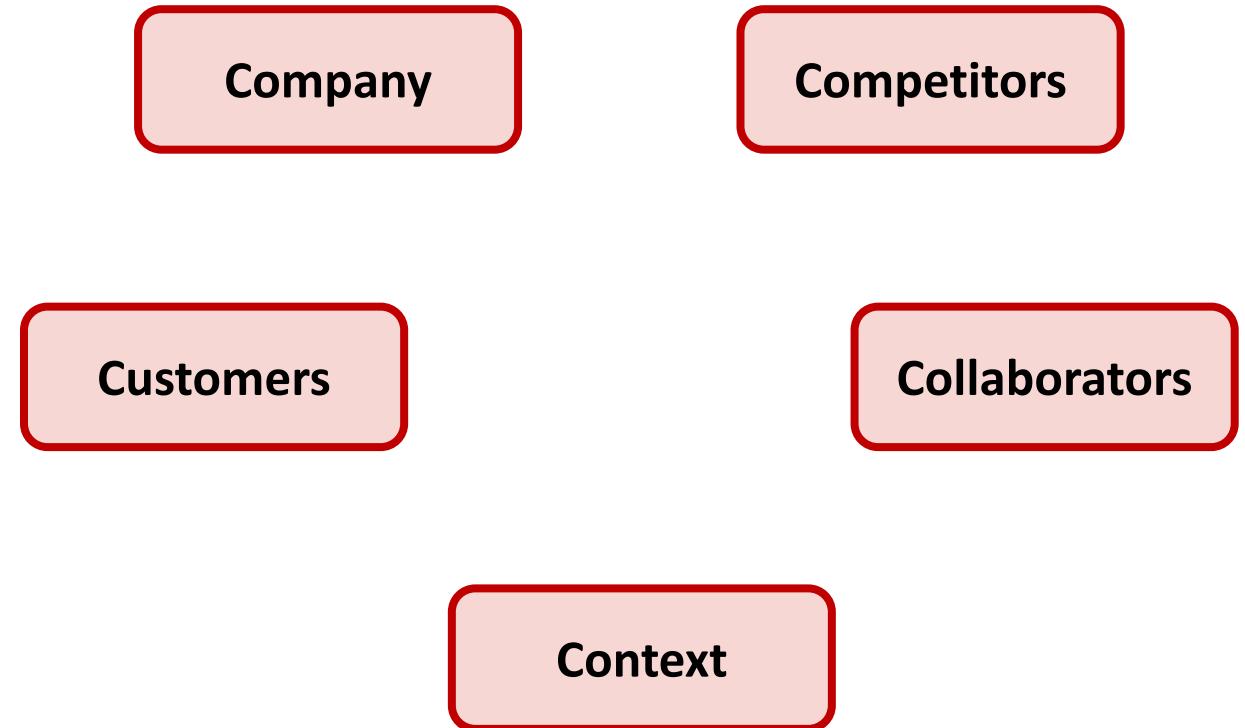
Or use other specific frameworks

Marketing

Marketing Mix Framework



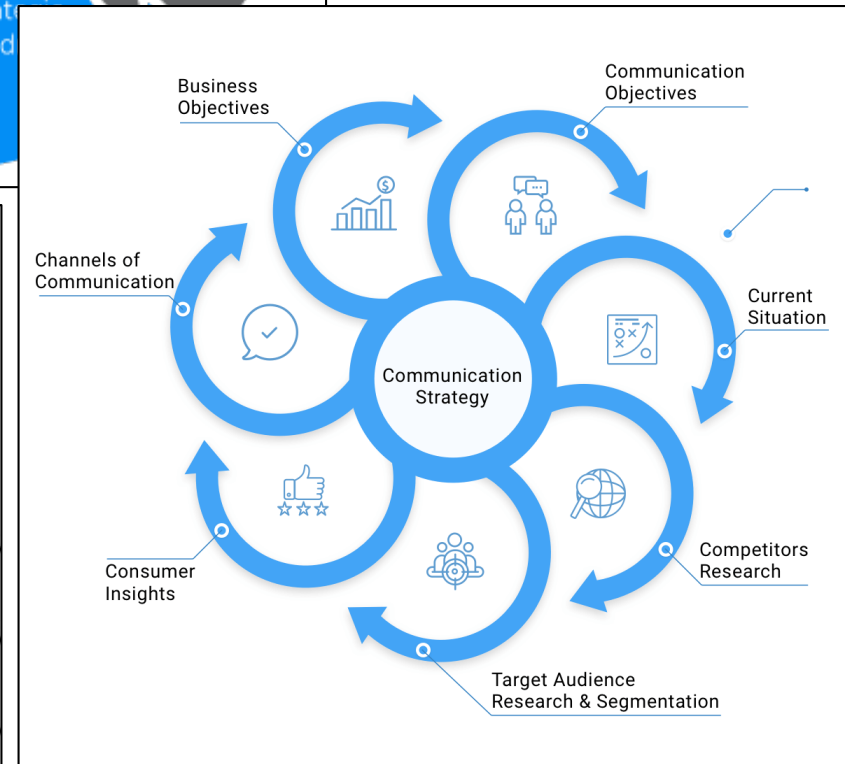
Situational Awareness Framework



Then get tactical...



Marketing



Conclusion:

- You need strategy to do marketing well. ***It tells you what to aim at.***
- You need marketing to do strategy well. ***It tells people how to get there.***

Question?

Part 2: Four questions on setting a marketing strategy

1. How do you set a context?
2. How do you look for external frameworks?
3. How do you diagnose and decide?
4. How do you communicate strategy?

1) How do you set a context?

You already have. You probably didn't realize it.

What context are you bringing to this class?

What causes shifts in context?

2) How do you look for external frameworks?

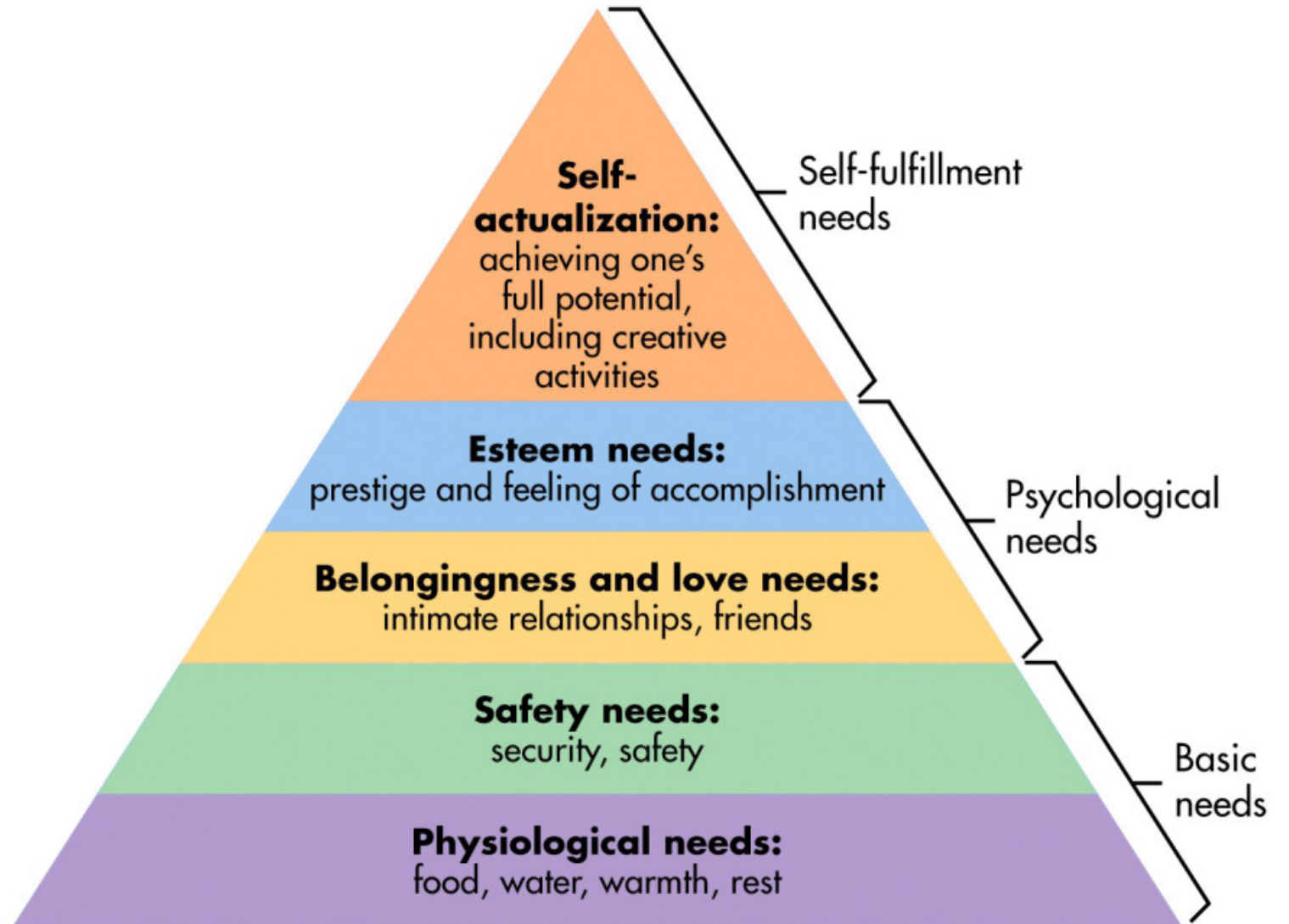
frame·work (frām, wərċ)

- Noun: a basic structure underlying a system, concept, or text.

A Strategy Framework

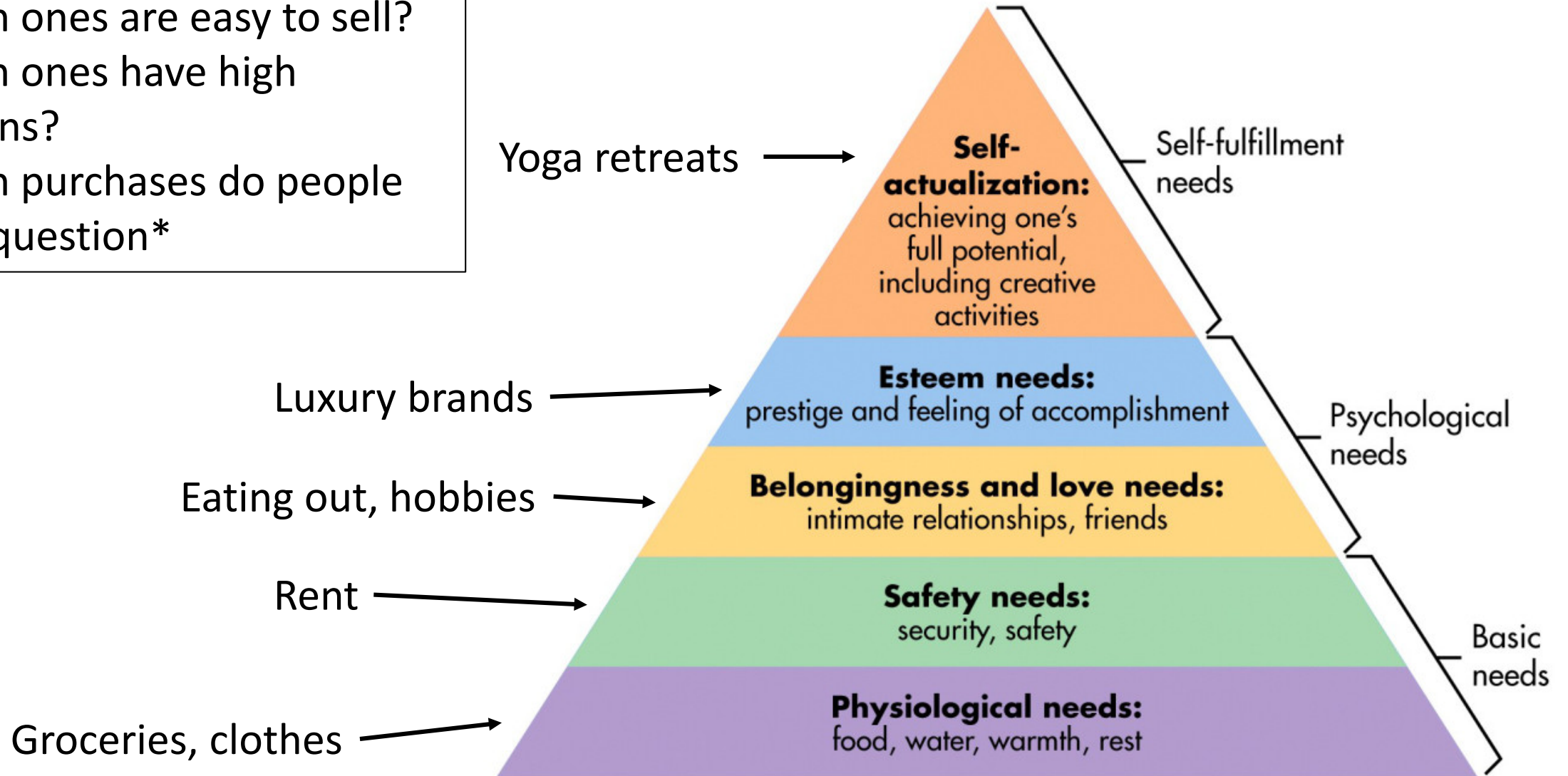
- A tool that practitioners use to categorize and analyze an overwhelming amount of information to help make decisions.
- These tools are usually based on years of experience, thus can act as a shortcut to a decision.
- Since they are based on experience, they can always be improved, even the most well-established ones.

One of my favorite fundamental framework...



Example Products

- Which ones are easy to sell?
- Which ones have high margins?
- Which purchases do people not *question*

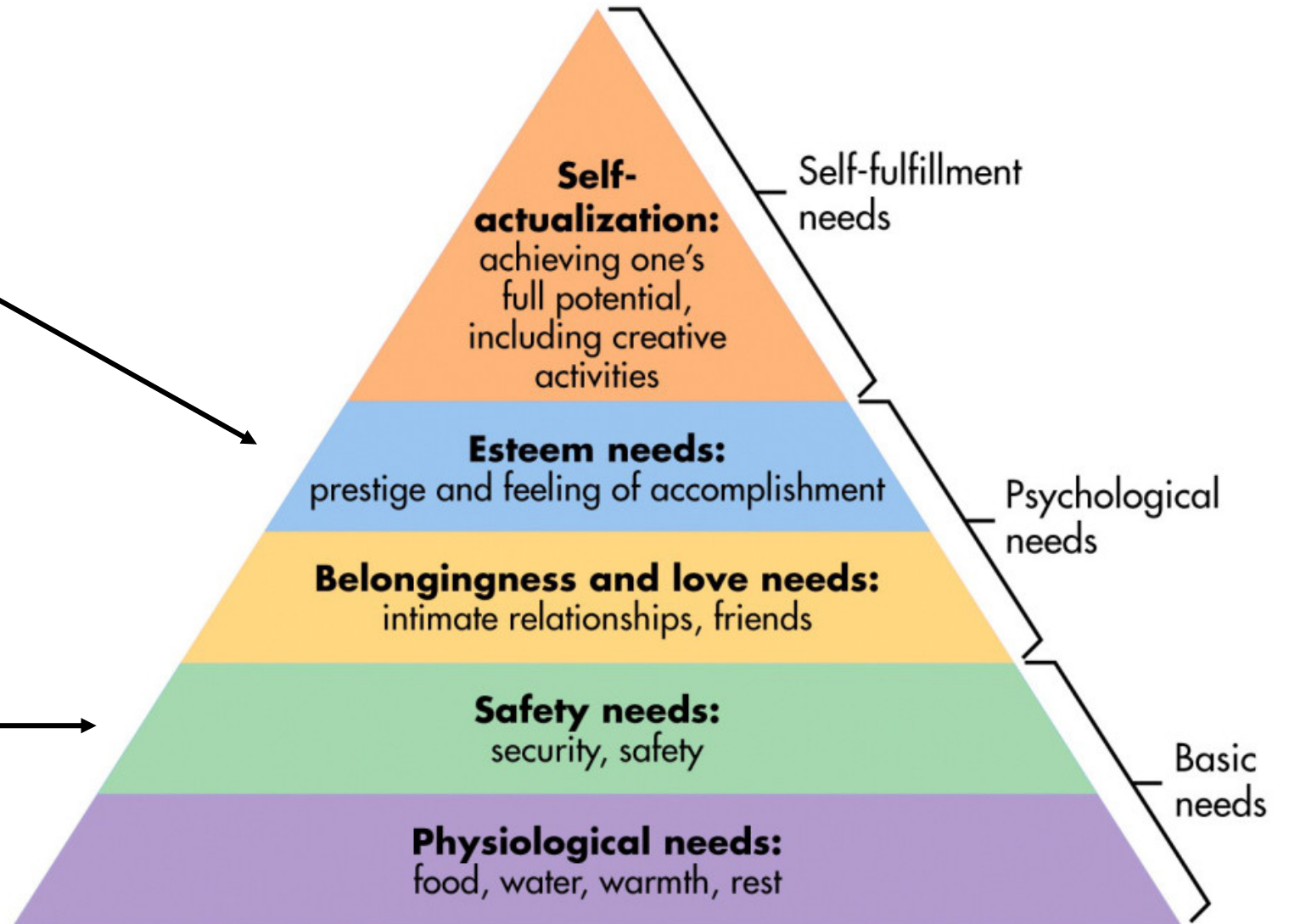
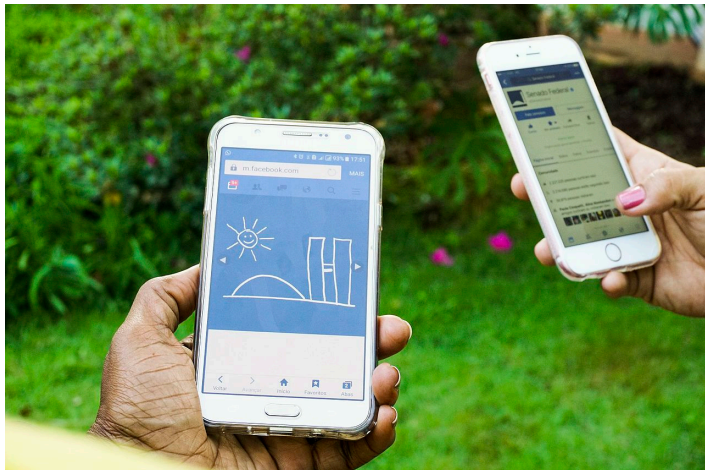


Mobile Phone

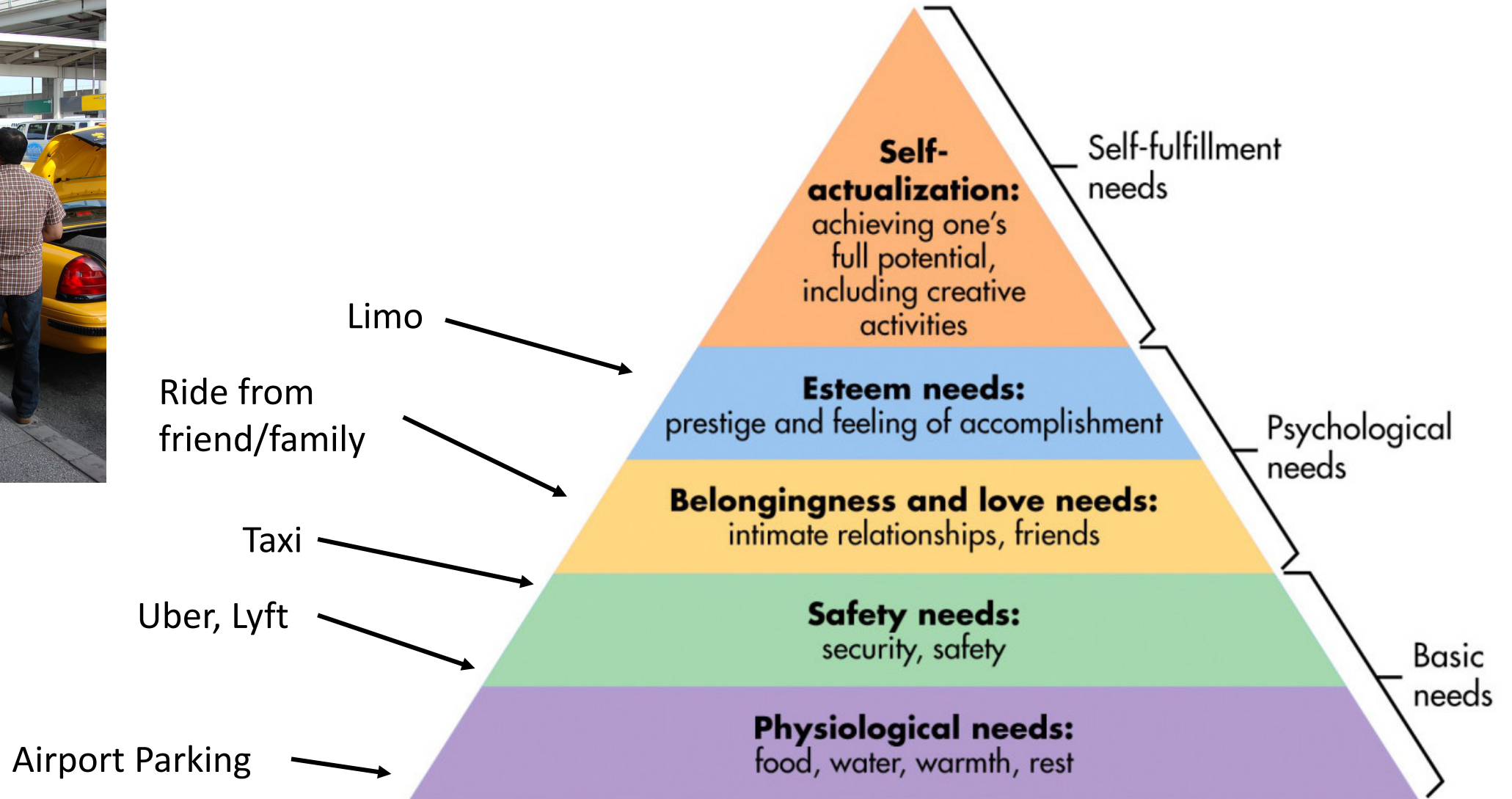
1960 Mobile Radio Phone



2018 Smart Phone

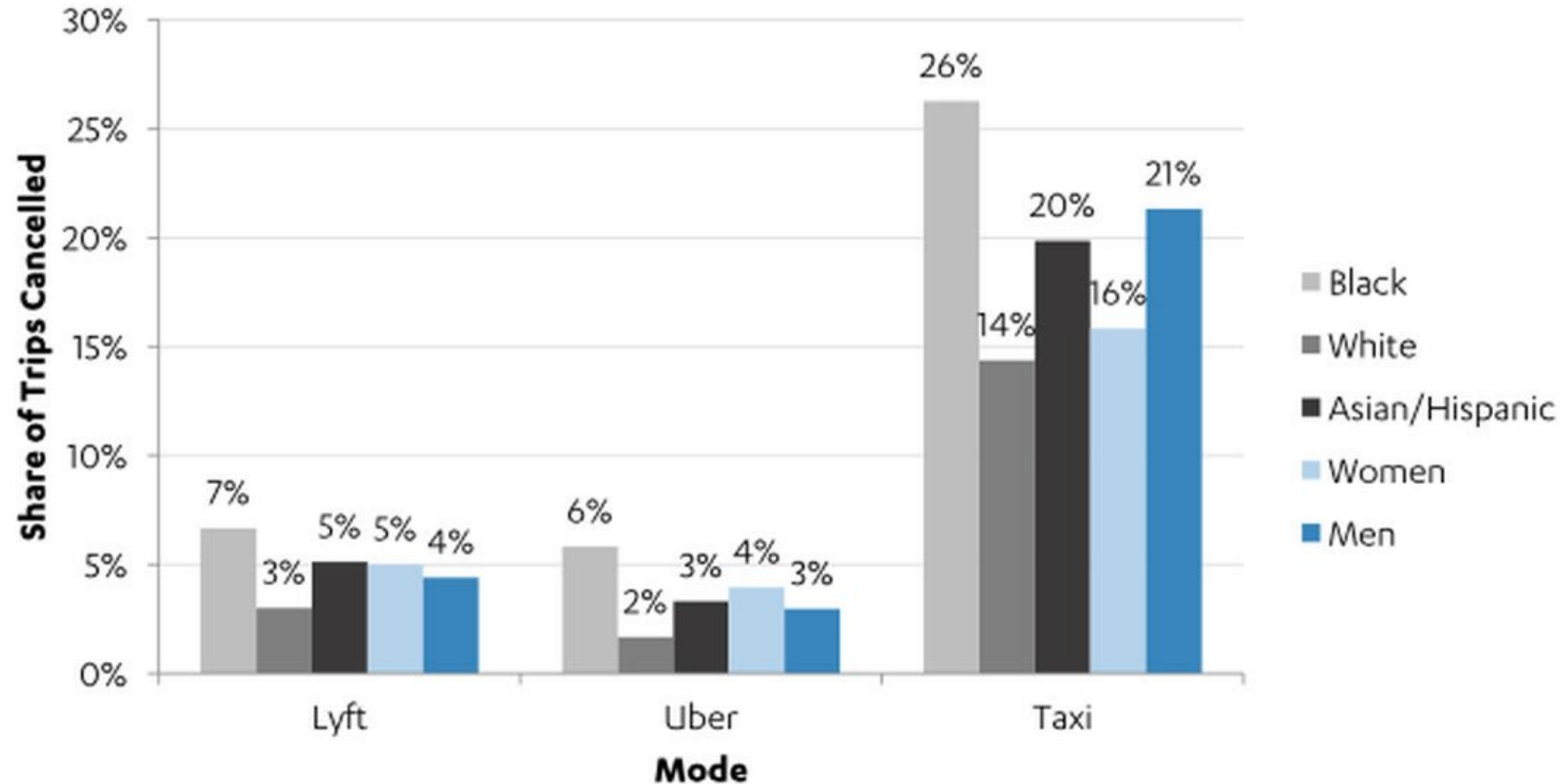


Transportation to the airport



UCLA study on mobility equity

Cancellations or no-shows within 1-hour of hailing a transportation service



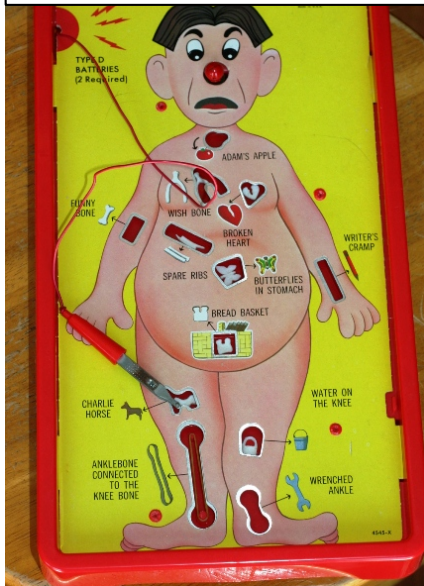
Anne Brown, Ridehail Revolution: Groundbreaking ITS dissertation examines discrimination and travel patterns for Lyft, Uber, and taxis

3) How do you diagnose and decide?

Experience.

Which surgeon would you trust more to diagnose and decide?

Gamer



Learned from a Classroom



10 years experience



- NOTE: An unstated assumption in this question is that you will be a practitioner of marketing.
- How do you gain experience in marketing skillset?

4) How do you communicate strategy?

Let us reverse the question:

How do you **observe** the communication of strategy?

CEO of T-Mobile, after following a twitter conversation where a user exceeded their airplane quota



President Trump, every other day...



Why is your overall behavior more indicative of your strategy than anything else you do?

Part 2: Four questions on setting a marketing strategy

1. How do you set a context?
2. How do you look for external frameworks?
3. How do you diagnose and decide?
4. How do you communicate strategy?

Questions?

Part 3: My discussion questions for you

In any situation, who gives you the necessary
permission to define the context?

How do you become exposed to new market
and new marketing ideas?

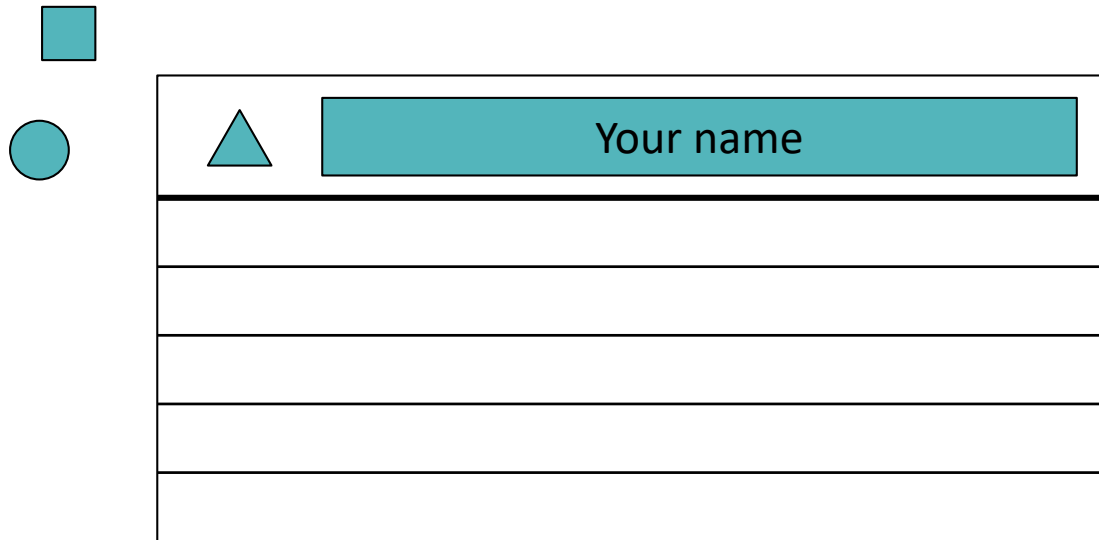
How do you synthesize ideas?

What are some marketing skills
and
how can you practice them today?


Part 4: Synthesis

To review

- Take your remaining 3 notecards.
- Label one with a square, another with a circle, and the last with a triangle.
- Please put your name on them too!



The diagram illustrates a notecard layout. On the left, there are three shapes: a square, a circle, and a triangle, all in a light blue color. To the right of these shapes is a rectangular box representing the notecard. The box is divided into six horizontal sections. The top section is further divided into two parts: a small triangle on the left and a larger rectangular area on the right. The larger area contains the text "Your name". The remaining five sections of the notecard are empty.

	Your name

Question Square:



What's squared away? What do you really understand?

Question Circle: 

What's still going around in your head? What
do you still not understand?

Question Triangle: 

What three things could you use in your life,
work or studies?

Comments?