

The Need for Branding and Marketing

An Interview with Jim Porçarelli,
Executive Vice President and Chief Strategy Officer



Jim Porçarelli

EDITORS' NOTE Prior to joining Active in 2006, Jim Porçarelli was COO and Chief Client Officer at MediaCom (WPP). He was part of the core team that created MediaCom in the U.S. and drove annual billings to \$4.5 billion. Before MediaCom, he was Chief Media Officer at DMB&B (now Publicis), where he led a team in the development of global business including Anheuser Busch, Procter & Gamble, and Mars/Masterfoods.

How has Active's strategy evolved?

As the marketplace changes, you have to not only recognize current challenges but how those challenges will affect our clients.

It's about hearing things differently as opposed to synthesizing information as you normally do. That listening ingredient is critical to the development of products and services that propel your business forward, and that's been a cornerstone of our strategy. We've spent, and continue to spend, a lot of time researching and developing new products. This includes data platforms to augment media plans, trading with the newest digital media or creating other products, like experiential events. They all tie together to support our clients' business needs.

In addition, we're living in a reputation-driven economy, and this puts the focus more on stakeholders.

Stakeholders care about who you are as a company, what you do, and the way you do it, so it's imperative to find a way to communicate the value we deliver. We want our clients to see us as somebody they identify with and can offer unique insights based on the trading partnerships we have in place. We also want them to feel confident about the value they are currently receiving.

How has marketplace understanding of Active's business changed?

Although we've been in business for 30 years and the category has grown and thrived, we're still in an industry that's not mainstream. The conduit for increased understanding is through the accomplishments of the business.

We want to imbue in clients the fact that in the end, the only thing we really do is find ways to bring additional value to them. We're focused on improving business performance – that's the core of our brand and we've taken a strategic approach to get this message out into the marketplace. There are those who still haven't had exposure to our business, but isn't that the case with every brand? You always want to increase your reach.

Is the messaging consistent globally or is it adapted to local markets?

Forbes magazine coined the phrase "glocal" and I think they are onto something. As businesses delved deeply into the global arena, they realized that globalization was not the responsibility of the executive offices; it was the responsibility of every individual office, so you can translate the local needs and considerations via the overarching umbrella of the brand.

With a glocal mindset, everyone has to translate the brand around the world so it's most appropriate for that market without the overall objective being lost.

How has social media led to this creation of this glocal mindset?

We're living in a shared society where information is democratized, so knowledge alone is no longer a differentiating feature.

We have observed the social world and how its instantaneous communication has impacted brands and service companies. We realize what the people say about you is far more important than what you advertise about yourself. It's impossible to control the message; today, you have to acknowledge the good and the bad because customer acceptance happens when you're authentic. Developing a brand is more about how you act and perform, because that is just as important as what you say about yourself across all communication channels. The brand promise is brought to life by the people who comprise the brand.

How do you feel about companies that cut their marketing budget first during challenging times?

It costs three times the money to buy back market share and awareness than it does to maintain it during times of decline. Budgets are often cut and yet companies come back with the goals that haven't changed. Media has been held to a much higher standard in terms of an ROI and message optimization to make it possible to get far more out of less. It's the same with companies cutting their marketing budgets. It's fine to put pressure on your resources to get more than what you have been getting with less spending. But that should not come about first with a budget cut; it should come about by determining what you need to accomplish to retain the quality of the brand and then how can you get that for the least amount of money.

We can take a lesson from the world of digital media because they have changed the whole reporting mechanism to facilitate real-time optimization. Today, if something isn't working, they can immediately make the switch, so plans are altered sometimes on an hourly basis.

Companies need to evaluate what they're doing to maintain an appropriate ROI on the monies they do spend and how they can make their message more focused to derive more from it. This is where we come in.

Everybody talks about gaining eyeballs through digital but isn't it more about engagement?

We can get from eyeballs to engagement and the digital world is showing us that.

Brands that have a high fan base on Facebook, for instance, tend to have a higher loyalty, which converts into sales because people still care about brand while being price conscious.

In the world of media planning, the sophisticated planners are realizing it's no longer about demographics and ratings, but more about percent composition and how they can get the greatest targeted audience in the best environment.

In the past, people wanted the highest rated shows because they felt that attentiveness was highest in those programs. But what they failed to do was determine what percent of their target audience was in that rating. They were so stuck on sex and age that they forgot that defining a target audience goes beyond those criteria, i.e. behavioral.

If a packaged goods product only targets moms 25 to 45, for example, they're missing a huge segment of shoppers today who are stay-at-home dads, who shop for groceries for the family.

As we look at targets, we can't go with what the general research says about categorizing people; we have to focus on the message for people who have the predisposition to buy.

How do you ensure that the personal relationship isn't lost with such a strong focus on technology?

Relationships fostered by trust trump everything else. In an age where you can communicate any way you want, in the end, when you have a crisis, you need to jump on a plane and sit face to face with a person because this is how you resolve the biggest issues. ●