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@ JIM CARROLL

Learning to market at Internet speed



BY JIM CARROLL

Is there a disparity between the rate of change occurring within your company and industry, and the pace at which you as a marketer are able to react?

I've recently been working with an organization trying to create an hour-long show about e-biz to run on inflight audio systems starting in September. For various reasons, the project had to go from conception to delivery in a short period of time–literally, a matter of weeks.

We approached several high-tech companies with respect to the ad space available on the show. We stressed to each of them that they had to act in a hurry in order to participate, given our time constraints.

The experience has been fascinating for many reasons. But one thing stands out in my mind: we were advised by the advertising agency and staff of one company–a leading international high-tech organization–that since they planned their advertising on a yearly budget cycle, they wouldn't be able to participate.

I thought this was very funny. After all, here's an organization that is in an industry in which change is coming at an ever-more-furious pace. The company states quite regularly that it has got to keep inventing new products and deliver them to market in order to stay at the leading edge. It knows that entirely new streams of revenue are popping up overnight, and so its product development staff are constantly working at the leading edge. They're working on Internet time, adapting to the insane pace of the dot-com world and barely slowing down to take a breath between new product launches.

And here, this company has some marketing and advertising folks working in a mindset in which things are planned on an annual basis. How bizarre can you get?

Is there a similar disparity between the rate of change occurring within your company and industry, and the pace at which you as a marketer are able to react? The folks at The Creative Group in Menlo Park, Calif., a temporary staffing agency specializing in advertising and marketing, think so. In a survey of 200 executives from among the largest 1,000 agencies in the U.S., they found that some 89% believe that their clients will soon want really quick turnaround on creative work.

Is your agency prepared to do that? Is your organization's entire marketing strategy focused on long, drawn-out cycles? Do you figure out where you are going to spend your money, or your clients' money, and how, on a yearly basis? If so, it might be time to ask some serious questions.

Certainly, everyone has learned that the Internet economy operates at a far faster pace than the rest of the world. Already, many folks who service dot coms are being extremely challenged by the rapid change. Commercial real estate brokers, for example, are finding it difficult to deal with the typical dot com, which often has to ramp up available office space by a factor of 100% in a matter of days. Gone are the leisurely and carefree days in which a company might plot out its commercial real estate needs through the next five years. Now the demand is: "We need it next week, dammit!"

This rate of change that is occurring with high-tech and dot-com companies is set to invade other industries over the next few years, as rapid product development becomes the norm. Sure, there are lots of companies with well-established brands where the executives responsible for the marketing campaigns will be able to continue at a leisurely pace. Yet other industries, such as travel, insurance and financial services, are at the forefront of Internet-induced change and the marketers in those industries have already learned that they've got to operate a lot quicker.

The fact is that every other industry is set to be affected in the same way. Consider the impact of the Internet on the product-prototyping and manufacturing processes. An emerging buzzword in the field is "rapid prototyping." Tour some of the sites related to this topic on the Internet and you'll discover that something fascinating is going on: an entire industry is emerging in which product designers can develop new products using their CAD (computer aided design) software, upload the design to a rapid-prototyping firm and get back a custom-manufactured part–often within a matter of days, if not hours. If that doesn't speed up the pace of product development, then nothing will.

Another reason why the ability to move fast will be critical is because the Internet economy forces new forms of competition that have never existed before. Every organization is faced with dot-com competition; new competitors who have previously not been able to access its market because of geographic constraints and aggressive price competition. In addition, these competitors might be bringing out new products faster.

Back in 1985, the firm I worked for used to prepare a "five-year information technology plan." How quaint. Companies are now forced to figure out what they need to be doing on an almost week-by-week basis.

The same type of thing is going to happen to you and your organization in the too-near future. Are you ready for it?

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