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Truth in Marketing Reality or an Oxymoron?

BY LINDA WOLSTENCROFT

In this period of abundant fake news and the search for truth, truth in marketing has never been more important. Witness the scandals with Facebook and Google, and the impact on their reputations. Charges such as the ones they are facing can cause irreparable damage. And, while Facebook and Google are huge companies that can withstand it, not every firm has that luxury.

The discipline of marketing has long been known to be an area where the truth has been conveniently stretched. This colouring of facts is acceptable as long as it contains elements of truth, is backed up by rationality, and the motive is sincere. For example, a firm that markets a product that is still in development and on track for completion does not necessarily need to divulge the state of its development in its marketing materials. However, a firm that makes claims about its product or service that are outright lies is engaging in an unacceptable practice that is significantly putting its reputation and future new business at risk.

It's natural for firms to strive to stand out from the competition, but false claims and outright lies cross the line of acceptability and don't serve anyone. When this occurs, the question of underlying motive becomes important. Firms that are profit-driven to the extreme (i.e. often those who are controlled by career financiers or investment firms) don't particularly care how a product is marketed – they simply want high sales growth and expect high financial returns. This approach is risky in the long term.

What's the alternative approach? To focus on value and truth.

What does this mean for defence marketing?

VALUE & TRUTH IN DEFENCE MARKETING

First, firms that focus on value to the customer understand that this true value will govern the financial success of their company. In all firms, these are decisions made at the very top and the approach and attitude from the top will permeate throughout the organization. Thus, the value being provided must be clearly set out in the firm's strategy. If it's not, that's the place to start. Many firms don't have clarity around what value they will provide that will compel their customers to buy from them as opposed to their competitors. Rather, they try to be "all things to all people" and do none of it well. This is a major flaw in many defence firms.

“Always practice
truth”

As an example of marketing that focuses on value, consider a firm with a growth strategy of working closely with its customers as its top priority, anticipating their needs and helping them define their future. This firm singularly holds knowledge that other firms do not: knowledge from which it can develop its products and services to meet future requirements.

With respect to marketing, this firm must convey its unique approach to working closely with customers and provide evidence that they are successful in doing so. This firm must still advertise its features and benefits of its products and services in its marketing, as well as the the cost-effectiveness of

its solutions, but its main focus would be on highly successful solutions achieved by working closely with its customers.

Second, always practice truth. Remember that defence customers are sophisticated and smart, and untruths will only hurt the ability to win new business. An executive at one firm I worked with spent several years determined to win business in an area in which the firm did not have the expertise, and for which the firm was not even thinking about developing at all. The firm actively marketed its false ability to take on that business. The motive was purely profit-driven and somewhat an emotional, pet project. Today, years later, this firm has not won that business and is struggling to the point of near extinction.

Finally, when marketing, be aware when the underlying motivation of the firm is profit over value. Value leads to profit; not the other way around. But, despite evidence and experience to the contrary that a pure profit motive is unsustainable, many firms still operate in this manner.

When a firm has a profit motive, truth in marketing is challenged because there may be nothing to say that is true that will compel the customer to buy the product over the competitor's product. There is often no value to market. Marketing empty promises may win business in the short term, but over the long term it's not sustainable. Change this or risk a gradual demise.

Truth in marketing: is it to be ignored or could it be a differentiator for winning new business? The choice is yours; make the right one.

Linda Wolstencroft is president of Aerospace BizDev Inc., which provides strategy and business development assistance in the aerospace and defence sectors. For more information or to contact Linda visit: www.aerospacebizdev.com