

## **Spirit At Work: Customer Connections**

New marketing to internal customers -- employees -- communicates a company's culture and brand to external customers as well.

By Lance Secretan

"Old-story" thinking tells us that massive and distinctive marketing campaigns with heavy expenditures on high-profile advertising create brand awareness in the marketplace. Has this worked for Coca-Cola? Nike? Shell? Exxon? Unilever? Monsanto? Procter & Gamble? These companies have fallen from their pedestals into share-price doldrums or consumer backlash.

Perhaps today's consumers are too smart to be sucked in by the noise of saturation marketing, making decisions more by what they feel in their hearts than what they think in their minds. Perhaps consumers want to know if a company adheres to a consistent set of values.

When Henry Ford wanted to sell a car, he said, in essence, "I have a car for sale called a Model T. It is black and costs X dollars. If you would like one, this is the price; if not, no problem -- there are 25 others who do." This continued to work as long as there were more customers than suppliers. But by the early 20th century, there were 2,400 carmakers competing with Ford, and automakers had to adapt to the needs of their customers.

Today, the take-it-or-leave-it approach used by Henry Ford is used with employees, too. We say, "We have a job to fill. This is the job, the location, the pay, and the benefits. If you would like to take this job, fine; if not, no problem -- there are 25 others who would." However, this approach will no longer work in the tightest

labor market in 25 years. We need to woo potential employees with the same finesse and marketing techniques and skills we have perfected to woo customers.

This is the "new marketing" that will lead to sophisticated breakthroughs and radically rethought behaviors and values that will inspire employees to stay. And new marketing to employees connects us to customers.

People do not fly on Southwest Airlines because of its planes, food, or on-board technology. They choose the airline because they know that people love to work there and they want to fly with people who love their work. The "new-story" leaders will inspire internal customers with practices and beliefs that lift their hearts and stir their passions, and thus lift the hearts and stir the passions of external customers as well.

Companies like Herman Miller, The Body Shop, Home Depot, Medtronic, Nordstrom, Patagonia, SAS Institute, ServiceMaster, and Southwest Airlines have built brand leadership through their people-friendly culture more than through "old marketing" - through the heart, not the head. These are the "new story" leaders.

Last year, Southwest Airlines received 136,371 applications for 1,689 vacancies -- 80.7 for every job opening. Staff turnover last year at SAS Institute was 3% in an industry that traditionally experiences annual staff turnover of 17%. As a result the company did not need to replace the 1,000 people who would have left if SAS practices had matched those of the rest of the software industry. The stability of the SAS workforce deepens the wisdom of its team, and the savings in recruitment costs is reinvested to better meet the needs of customers.

If we invest the same level of sophistication, innovation, financial capital, and sensitivity with employees -- the internal marketplace -- that we have invested in the external marketplace, the art of leadership will be transformed. New-story leaders will embrace new marketing with even greater fervor than they did old marketing.

They will realize that employees are customers, too -- the customer of the corporate leader -- and by accurately identifying and meeting their needs, individuals and teams will rise to unparalleled performance. External

customers will become loyal to those brands that are owned by companies that rise to new heights of people-centered practices, and become as skilled at communicating their successes with internal customers as they have become at communicating features and benefits. For customers, the differentiating feature of the brand will be the perception of a company's culture.

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