

Quantum Marketing

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Tags: [#marketing](#) [#interview-published](#)

Dialogue

Story from me --> watching him on YouTube.

Permission.

Loyalty vs. affinity.

Point from Gary Vaynerchuk makes --> they aren't your customers.

To my team members, I keep saying that advertising is dead. Well, it's not entirely dead, but the way we know it today, it is certainly heading that way.

You zero in on the power of word of mouth. And you call this, "back to the future."

Distinction: storytelling vs. story making.

Invite people into unique experiences:

The experiences have to stand out. What does that look like?

Prosumers, influencers, and opinion leaders.

Experiences need to be scalable. Avoid one and done experiences. Also, economically viable and sustainable.

Events vs. ongoing?

How has Mastercard done this through Priceless?

Smaller organizations?

What have you changed your mind on?

Reserve

Affinity four tiers: Leverage all the four tiers of the hierarchy (purpose, passion, relationships, and commerce).

1. The experiences have to stand out, not necessarily in terms of luxury or high price, but in uniqueness and creativity.
2. You should target these experiences to prosumers, influencers, and opinion leaders.
3. It's extremely critical that these consumers have a flawless, seamless, and extraordinary experience, to leave a lasting impression and long-term memory.
4. Throughout the experience, the brand association needs to be brought out in a natural, unforced manner. Consumers must be able to make a strong connection between their good experience and the brand that enabled it. Experience, however great, without appropriate brand attribution is pointless, from the marketer's point of view.
5. Unobtrusively enable consumers to share their experiences, their stories, via their own communication channels. Bear in mind, if the experience is poor, they are going to talk about it even more aggressively.
6. Amplify these stories, to ensure proper reach, through traditional, digital, and social channels.
7. Make sure that the experiences are scalable. One and done experiences, which few people can experience, are an interesting novelty. It is like creating an expensive piece of art that only a handful of people get to experience. And the daisy chain stops there. Pointless.
8. Make sure that the experiences offered are also economically viable and sustainable.

Quotes

In recent studies, sixty-five percent of CEOs say that they have some or no confidence in their marketing team,¹ and 78 percent said their companies have not satisfactorily proven marketing impact.

Let's ask ourselves why the 4 Ps of marketing—product, price, place, and promotion—are increasingly being parsed out to areas outside of marketing to manage. For the last several decades, marketing was personified by the confluence of those 4 Ps, thanks to Philip Kotler's seminal work. Today, there are any number of companies in which marketing does not manage product, does not manage pricing, does not manage place (distribution). It just barely hangs on to promotions, which is advertising and promotions at best. Take away all these functions from marketing, and it is legitimate to ask ourselves, what the hell does marketing do then? This is not uncommon. In speaking with a number of CMOs from around the world, I see that this has been an increasing trend over the last few years, particularly over the last ten. So, what happened?

In principle, GDPR is terrific, no question about it. As a consumer, I should have a right to know what data is being collected about me, a right to permit third parties to collect

my information or not, a right to be forgotten, and a right that my data should be deleted from everywhere that I don't want it to be. Following similar principles, the State of California has launched the California Consumer Privacy Act (CCPA), which went into effect at the beginning of 2020. And there is momentum to adopt similar laws around the world. It will be an area that will be regulated and enforced around the world.

One of the tenets of Quantum Marketing is to integrate the power of art, technology, and science to get into the consumers' heads and hearts. The goal is to learn how and why consumers think, feel, and act in any given way and how to influence their preferences.

In traditional marketing, marketers rely predominately on sight and sound. In Quantum Marketing, they need to address and leverage as many of the five senses as possible. All five collectively can provide tremendous impact. This is what we refer to as multisensory branding and multisensory marketing.

I found that research was fairly sparse in this area, and the numbers for infidelity ranged anywhere from 30 to 60 percent in other studies. Studies have also indicated that the probability of a marriage ending in divorce is from 50 to 60 percent. These numbers are similar across the globe, despite people taking serious marriage vows and knowing of even more serious consequences. After all, people declare their loyalty "till death do us part." In some cases, they make a supreme being their witness. In some cases, the marriage is sanctified by mantras. People know they pay a huge price if caught philandering outside marriage. In addition to the reputational implications, there could be deep financial ones. The emotional trauma for them and their near ones is significant. The price of disloyalty is steep. Still, knowing all this, a vast majority don't seem to remain loyal. Is it because people are hardwired not to be loyal? Asked another way, if people are not loyal in their committed relationships, are we as marketers and businesspeople realistic in expecting loyalty from our consumers? If they are not loyal in their personal lives, are we fantasizing that we will generate their loyalty to our brands? We are, after all, way down the food chain of attention, as far as people's lives are concerned. Are we missing the point here? Do we need to reimagine loyalty?

The hypothesis here is that human beings are not singularly loyal. And there is a fascinating hierarchy of loyalty at work, which I will cover a little later in this chapter. It's time for brands to think about this. As I alluded to earlier, if people are not loyal to their own spouses, shouldn't we be asking ourselves why they would be loyal to our brands? Interestingly, across categories, consumers on average belong to fifteen loyalty programs. But only 25 percent actually use them. And only 22 percent see themselves as brand loyal. Just as 75 percent of people cheat on human relationships, pretty much the same number cheat on their brands.

In the Fifth Paradigm, marketers need to evolve their traditional long-term loyalty programs into effective “affinity platforms.” Affinity is defined as “an attractive force between substances or particles that causes them to enter into and remain in chemical combination.”

HOW TO BUILD BRAND AFFINITY AND CHEMISTRY There are four pillars: Leverage all the four tiers of the hierarchy (purpose, passion, relationships, and commerce) by blending elements of each into the marketing strategy/mix. This means to understand consumers’ mind-sets, at as granular a level as possible, in terms of what causes they care about (purpose), what they are fans of (passion), what their family or social networks are (relationship), and what their buying behavior is (commerce). All four should be incorporated simultaneously.

☐ A majority of people seem not to exhibit loyalty in their marriage and personal relationships. So, marketers need to think about why, if at all, people will be loyal to their brands. ☐ Brands should recognize that consumers expect brands to be loyal to them, not the other way around. ☐ Marketers need to totally reimagine their loyalty strategies for the Fifth Paradigm. ☐ The loyalty continuum has four tiers of commitment. Marketers need to understand and assimilate all four into their affinity strategies. ☐ Marketers need to develop contextual preference management (CPM) platforms that allow them to work all tiers into a coherent plan that is relevant and valuable to both the consumer and the marketer.

People want smooth, seamless, and uninterrupted experiences in their day-to-day lives. They do not like friction. They do not want interruptions. They are watching a nice movie, a serial drama, a news program, or a cat video, and then some stupid ad rudely intrudes on their vicarious world. People hate these intrusions. They seem to put up with these ads, because they are seeking free information, free entertainment, or some other free content. But there is nothing free in this world. People trade their attention for the entertainment or information they want. In other words, their attention is the currency. How do consumers deal with this annoyance? They largely use ad time for going to the bathroom, or turning attention to their emails or whatever else may distract them.

Today, the estimates for the number of consumers who use ad-blocking software range anywhere six hundred million³ up to two billion, which is roughly a fourth of the world’s population.⁴ And that number grows every year. These people are not accessible to marketers anymore, at least not through those screens on which they’ve installed these ad blockers.

Consumers are also going in droves to ad-free platforms such as Netflix, Amazon Prime, and a number of other smaller providers. To consumers, this is pure ad-free heaven! For me, it’s freedom from the hell of being interrupted and bombarded by ads. In my own

case, there have been any number of times when I'm watching a music video that an ad breaks right in the middle of the song! As a consumer, I hate it! Many times, I am so frustrated, that either I turn away from the platform or look for a paid subscription option to get rid of the ads.

To my team members, I keep saying that advertising is dead. Well, it's not entirely dead, but the way we know it today, it is certainly heading that way.

One very effective method is good old word of mouth. Marketers want people to talk about their brands and products. This is not new. Word-of-mouth publicity was considered to be one of the most reliable, dependable, credible, and effective ways to spread the message about a product, service, or brand. That fundamental principle still stands valid. In one way, it is almost "back to the future." Because people have other people in their physical and digital networks willing to hear from them, their communication doesn't get blocked. The idea is to make sure that people become spokespersons, ambassadors, promoters, or advocates of the brands, in a nonsalesy fashion.

I term this transition from traditional advertising-led marketing strategies to experiential marketing strategies as: from storytelling to story making.

In this approach, first reach out to high-influence consumers, opinion leaders, or "prosumers" (a prospective consumer involved in or inputs into a product's design and development). Grab their attention and captivate their imagination with some unique experiences. These experiences should be flawless, leaving a lasting impression in their minds and hearts. When that happens, they have a very high propensity to tell the story of their experience to others. And weaved within that story is that the experience was enabled by a brand, in a subtle, credible, and appropriate way. Then, try to amplify that story.

Research has also shown that 74 percent of people make their brand choices and preferences based on the recommendation of people in their network, who have an experience with a brand or with a product.⁷

The key points to bear in mind are: 1. The experiences have to stand out, not necessarily in terms of luxury or high price, but in uniqueness and creativity. They need to be relevant and compelling to your consumers, and to the brand or category. 2. You should target these experiences to prosumers, influencers, and opinion leaders. 3. It's extremely critical that these consumers have a flawless, seamless, and extraordinary experience, to leave a lasting impression and long-term memory. 4. Throughout the experience, the brand association needs to be brought out in a natural, unforced manner. Consumers must be able to make a strong connection between their good experience and the brand that enabled it. Experience, however great, without appropriate brand attribution

is pointless, from the marketer's point of view. 5. Unobtrusively enable consumers to share their experiences, their stories, via their own communication channels. Bear in mind, if the experience is poor, they are going to talk about it even more aggressively. So, refer to point 3 above. 6. Amplify these stories, to ensure proper reach, through traditional, digital, and social channels. 7. Make sure that the experiences are scalable. One and done experiences, which few people can experience, are an interesting novelty. It is like creating an expensive piece of art that only a handful of people get to experience. And the daisy chain stops there. Pointless. 8. Make sure that the experiences offered are also economically viable and sustainable. Points 3, 7, and 8 are the most difficult to accomplish, but they are the biggest factors in driving success or failure.

Another example is from Mastercard, where we made Priceless into an experiential platform, pivoting sharply from traditional advertising. Priceless, the advertising campaign, transformed into an experiential platform, which creates and curates experiences that money cannot buy—but available only through Mastercard. The campaign makes Priceless tangible. All the principles outlined above have been diligently implemented. Has it helped the company's brand and its business? You bet! The brand has grown from strength to strength, to being a top ten brand globally today, all the way from being at number eighty-seven just a few years back.⁹ Mastercard curates thousands of experiences around the world—it is an always-on experiential marketing engine!

The whole advertising ecosystem will be so different in the Fifth Paradigm that is not outlandish to say that advertising, as we know it today, is dying, if not dead.

A cookieless world is great for consumers' privacy protection. Marketers need to come up with alternative ways to still effectively market.