
Editorial

The great Marketing fiasco?

In vino veritas. Get someone drunk enough and they are sure to spill the beans. So said the Romans, who clearly saw wine as the ultimate truth drug. But maybe, just maybe, it is Marketing that needs a stiff drink and help in facing the truth about itself.

When it comes to Marketing, wine is not a bad place to start.

I am not alluding to the influence of corporate hospitality in changing minds and winning orders. As Oscar Wilde said, ‘a man who moralises is usually a hypocrite.’ I have enjoyed hospitality at the Stella Artois tournament myself, so let’s stick to wine.

From when alcohol first trespassed across my teenage consciousness, I remember Chianti flasks in rough wicker waistcoats just begging to be turned into table lamps. In those days, Italian food was not part of some Jamie Oliver humdrum. It was special — it had an edge, a hint of risk. How did you keep spaghetti on your fork? Would you even like it once the waiter had finished smothering it in that nauseous rush of Parmesan? And what was it about the wine? That was different too, with its own rough raffia exterior — called, ironically, a fiasco — and its own edge. ‘Rufina’ it said on the label, and rough it certainly was.

With hindsight, it was a marketing classic. After all, we had a distinctive product with a strong identity — wicker basket and all, you were not going to mistake it for anything else! The wine

tasted pretty awful, but it *seemed* honest enough. And, for a time, producers rode the wave, cranked up production and had most of us believing that Italian red was *supposed* to taste like that. Eventually, of course, the bubble burst. Battery acid lost its cachet.¹ Vine growers realised that they had to get their act together to produce a quality product. And, hey presto, repositioning. They stopped wrapping it in raffia, reduced production and settled down to some hard graft. Nowadays, many Chiantis are excellent.

Est! Est!! Est!!! di Montefiascone might seem to be just another example of the same thing. But it points the way to ominously bigger things.

The story is a marketing dream. A German ecclesiastical bigwig was touring Italy in 1111, preceded by his manservant. The servant was under strict instructions to write ‘Est’ on the gate of any town where the wine was good, ‘Est Est’ if it was very good. On reaching Montefiascone, the servant was apparently so affected by the exceptional quality of the local wine that he felt moved to write ‘Est Est Est’. The rest may be history, but — in my experience — the wine itself is poor. Every seven or eight years, I feel cross with myself when I fall for exactly the same rigmarole all over again, and try once more a wine that has so far never failed to disappoint. The name *Montefiascone* sums it up nicely.²

Our German bishop is the archetypal tourist — someone who doesn’t know

the ropes in the area. If your business caters for tourists, there's one born every minute, with the constant flow of punters pushing customer satisfaction way down the list of priorities. But there is more to this tale than a product that leaves you feeling decidedly short-changed.

One way to hype a product is to give it a good name. And if the name happens to sound better than the product, that's showbiz. Chablis Premier Cru sounds better than Chablis whether or not it actually is, and bottles from St Emilion AC which are not entitled to call themselves 'St Emilion grand cru AC' quite legally slip 'grand cru' elsewhere on the label. Then there is a CD calling itself 'The Best Opera Album in the World ... Ever!', a whole series of jigsaw puzzles labelled 'The Most Difficult in the World', and so on. What's in a name? And is Est! Est!! Est!!! really such a good name anyway?

Well, for AD 1111, I think it's pretty good. In fact, Est! Est!! Est!!! is one of the earliest examples of a marketing technique that belongs to today.

We can think of Montefiascone as the first three star wine.³ If Montefiascone were a half-decent wine, that might be fair enough. But often it is not. One of the best ways to pass rosy opinions to potential customers — particularly to punters who don't know the ropes in the area — is to disguise them as objective information or standard ratings. So we have stars for hotels and restaurants, points scores for wine, benchmark 'power' and 'value for money' scores for computers, risk ratings for investment funds — even interest rates and organic status. Not that formalised gradings and the like are a waste of time. On the contrary, they have the potential to tell us, as consumers, exactly what we need to know. But they cannot be taken at

face value — and this makes them very dangerous indeed.

The skill in using gradings and ratings in marketing lies in giving customers the impression that they measure (and hence guarantee) quality or performance, while distancing the grading system itself from anything of the sort. To get a three star wine, you would think you needed to tend to your vines. Sadly, nobbling a manservant or taking advertising space on the town gate seem to be more effective. Getting your kids' sports day called the Olympics takes a little longer, but it is the same principle.

This is how we end up with a star-rating system for hotels that depends on whether there is a night porter, not on whether the beds are comfortable. Interestingly, many holiday brochures grade hotels using the tour operators' own rating systems. And a few hotel complexes are actually owned by the tour operators in question. Of course, any suspicions we might have may be unfounded. But I doubt such complexes are missing the night porter or *à la carte* menu that would produce an extra star. Certainly, the same tour operators own travel agencies that are much keener to show off their own brochures than those of competitors: control the information and you control the market.

In the same way, systems for categorising wine (eg AC in France, DOC in Italy) specify which grape varieties may be used, where they must be grown, how much wine can be produced and where the wine will be bottled, but are not interested in whether the wine is any good. DOCG is the top rung of Italy's wine quality ladder — but just as much wine may be classified DOCG in a bad year as in a good one. What is more, such systems are often subject to influence from vested interests or political pressure. It is like making all schools publish their exam results, and

letting heads decide which children to exclude.

Of course, if you do not trust grading systems, you can rely on the opinions of experts — which takes us back to Est! Est!! Est!!!

Here we have a manservant — let's call him Oz Gluck — going around on expenses, quaffing whatever he pleases and generally living the life of Reilly. Don't get me wrong. I have nothing against wine buffs, but we consumers are well-oiled wallets, not connoisseurs, and that makes us easy targets. If the buffs were occasionally to gluck the books or recommend Oz wines that would not otherwise pass muster, we would be none the wiser. What, then, are we to make of endorsements by expert users like golfer X or tennis star Y where there is no suggestion of objectivity? Consumers are clearly meant to believe that they are more than the kind of celebrity tie-in that has given us the Sven-Goran Eriksson Classical Collection on CD. Would you stake *your* money on it?

Now all this may seem to be good knockabout stuff, which is not to be taken any too seriously. The trouble is that it is getting more serious all the time. Today's information-driven technical bias makes this as inevitable as global warming.

Once upon a time, we had alphabetic and classified telephone directories. Although 'Yellow Pages' allowed businesses to buy bigger entries, you knew where you were because all businesses got a minimal 'free' line listing. Today we are more likely to use search engines to find what we want. But the technology is not all that has changed. Depending on the interface provided by Internet service providers (ISPs), some search engines do not simply search. First off, they may inspect your query to see whether it is about a

product on which anyone is offering a kickback. If so, your search results will be headed by these 'channels', 'preferred' or 'approved' sites or 'sponsored' links. If there are enough good matches from the 'channels', my own ISP's search facility looks no further — unless I insist. It is like having Pizza Hut run directory enquiries and letting them de-list Pizza Express. Consumers may know it is happening. But what will they do about it?

There are even specialist search engine marketing agencies that aim to get their clients on the first page of any relevant search — whether by careful choice of key words, paid inclusion or whatever. In a free market this may be little different from other forms of media buying. But in an increasingly virtual marketplace, we need to be sure that we are happy with the implications of a world where the information super-highway becomes an adformation super-billboard where money talks and small players are shouted down.

I buy two magazines to help choose a PC. Some of the very best buys in one are not even mentioned in the other. Am I alone in wondering why?

Just listening to the BBC, I am exhausted by the incessant quoting of the BBC website address and mentions of BBC digital channels and magazines. In even more overtly commercial hands, cross-media ownership and tie-ins imply still more worrying marketing opportunities. Competitors almost cease to exist, chat shows are used to plug books and records — which in turn affect the best-seller charts — until it is not just grading systems and expert reviewers that you can't always trust.

The 1960s and 70s saw repeated scandals centred on manipulation of the record charts. Today, Internet vendors provide their own product search tools, and their own best-seller lists. And

Internet book and record shops may — or may not — have tie-ins with particular publishers and special deals on specific new releases. It does not take a genius to spot the possibilities. Website operators and media owners (often the same organisation) can create their own charts, and use these to turbocharge sales of any product they choose. Even the BBC has force-fed a comedy performing poorly in the ratings onto the VCRs of 50,000 viewers with the latest TiVo technology — which can't harm its ratings. Creativity has given accountancy a bad name. Just think what it can do for Marketing!

The problem is that there are no standards or rules — and this makes it hard for consumers to know what they have a right to expect, let alone to complain.

I want to go to Hull, and phone to ask about trains. Thanks to the legacy of British Rail, I know I should be told about the alternative routes, even if different train operators are involved. And I should pay the same price wherever I book a given class of ticket. If I ask, I should be told the cheapest options — though this may be difficult to work out. And if there is limited availability on promotional fares, I should be told what is available even when booking a larger number of seats. BBC research shows that rail enquiries sometimes get it wrong, but there is no doubt about what customers should expect.

Outside railways, the world is different.

I want to buy tickets on the Internet to fly to Madrid. If I log on to the site of an airline, what can I expect? Presumably, they will not tell me it is cheaper with another airline. Should I be told that it is cheaper to book through a consolidator that the airline uses regularly? Is it reasonable for the airline

to quote different prices for the same journey to customers living in France or Scotland, for example? If I want four seats and three are left at a low price, should I be offered these or left to buy all four at full price? Is it acceptable for the airline to store a cookie on my PC recording details about me (or what I bought) and to use this on future occasions to decide what information to provide and what fares to quote me?

In fact, is price discrimination by cookie so very different from confusion-marketed mobile phone tariffs, where how much you know determines how little you pay — or the supermarket loyalty card that gives £2 off a bottle of wine to those on the inside? So what *is* the price of a flight to Madrid, a quick phone call or a bottle of Rioja? And why does Marketing say it depends on who you are?

One of the good things about wine is that it has a taste. If you don't like the taste, you may decide not to buy any more. An increasing number of products aren't like that. In the case of organic wine, the word 'organic' may be as important as the taste. For everything from gas and Internet access to insurance and digital TV, you enter into an ongoing contract, without so much as a mouthful of ripe gooseberries or a fine bouquet to go on. All you have is a pile of words. So it comes down to whether you can trust those words.

The advertising industry has a self-regulatory body, the Advertising Standards Authority, to police non-broadcast advertising and to ensure that adverts are 'legal, decent, honest and truthful'. Perhaps it is time for all of us in Marketing to look ourselves in the eye and consider whether we too need regulation. Is the ASA something we marketers should emulate?

I have only ever complained to the ASA twice and found it something of a

curate's egg — good in parts. But curates' eggs do at least show up the possibilities *and* the pitfalls.

The ASA provides open and accessible adjudication on a 'write-in' basis at minimal cost to complainants. Anyone may lodge a complaint — competitors and members of the public included — and the system is efficiently administered, functioning without the need for legal representation. (By contrast, legislation being drawn up by member states to implement the European Union's (EU) e-commerce directive will surely feather the nests of lawyers. Since e-commerce rules will be governed by the 'country of origin principle' complainants may have to go to court even to get a ruling on what constitutes the country of origin of a particular trader. The answer will then determine which member state's rules apply.)

On the other hand, the ASA takes it upon itself to interpret complaints, so it does not always reflect the views of complainants. Since ASA rulings do not have the force of law, they cannot always prevent unacceptable adverts — merely slapping wrists after the event. And even then, the odd advertiser may take no notice.

From a marketing viewpoint, such self-regulation is too narrow. The advertising mind-set reduces promotional material to a strapline and visual image. If these two broad-brush components together are not legal, decent, honest and truthful, there is trouble — provided enough people complain. This is fine for posters. In the days when financial products were bought from a bank manager and information came from the library, it may have been fine for them too. But it is not much good for the welter of telecommunications, financial, information and technical products where precise textual detail is crucial.

For more and more mass-market

products, words *are* the substance — there is nothing else. Thanks to the rise of direct mail and the Internet 'verbose selling' is on the increase too. And in all these contexts, it is vital that what it says is '*what it means is what you get*'.

It is particularly in relation to such small print in promotional material that advertising self-regulation falls short. Symbolically, the ASA code of advertising practice does not even mention the size of print. Nudity and bad language are out, but gratuitous use of tiny fonts to hide vital exclusions is fine. Nor will the ASA comment on whether specific wording complies with current legislation like the Trade Descriptions Act. Even text that is quite literally untrue may be accepted without objection. The argument seems to be that the broad thrust of the advert, the strapline impression, is what really matters.

This perspective is clearly not what is needed to control marketing literature in the broadest sense, and to ensure that consumers are not prey to deliberately exaggerated claims. So low cost 'write-in' justice evaporates just where it is needed most. And the only redress open to consumers is in the courts — if they can afford it.

It is all very well for us marketers to point the finger. These self-same misleading adverts are just part of a very much broader promotional environment in which we operate and which is far from whiter than white. The rules in advertising may not be perfect. But does Marketing *have* any rules?

At present, most companies play (relatively) fair or cheat only on Tuesdays. In principle, however — with no clear rules — anything goes. Germaine Greer⁴ sees Marketing as 'the art form of the 21st Century'. Under current competitive pressures, our essentially creative discipline is being

squeezed. In the absence of unambiguous and agreed EC-wide standards, the danger is that it will be squeezed into a cynically fun-loving, no-holds-barred game, recognising no duty to consumers or potential customers, and no concept of accountability, fairness or respect. The sole aim will be to grab cash — the role of Marketing will be to mislead consumers for commercial gain. And calculated manipulation of consumer information will be of central importance.

Before Enron, Andersen and WorldCom, everybody knew there were a few cowboys. As marketing professionals, it is surely reasonable to consider what we need to do now to ensure that there aren't more than we can bear.

Or would we rather drown our sorrows after the great marketing fiasco?

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 Editorial Board
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Notes

- 1 Even in the Sainsbury's Wine Guide 'Italian Wines' much of the Chianti of the early 1960s is described as 'cheap, acidic, rough ... fraudulent rubbish'. The story of its transformation into the often excellent wine of today is told at some length. See Ashley, M. (1990) 'Italian Wines', published for Sainsbury's by Webster's Wine Price Guide Ltd, London.
- 2 Est! Est!! Est!!! di Montefiascone DOC is a legally controlled designation of origin — effectively an area. There are, of course, some tolerably good producers in that area.
- 3 Indeed the cooperative producers Cantina di Montefiascone explicitly describe it as such on the labelling of bottles from the 2000 vintage.
- 4 Speaking on BBC2's Newsnight Review.