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I N T E R O F F I C E M E M O R A N D U M
C O R M T S A L L - I N - 1 S Y S T E M

Date: 16-Feb-1989 01:14pm EST
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TO: See Below

Subject: PULLING ALL MARKETING OUT OF THE FIELD

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The marketing plans presented at the WOODS meeting this week were particularly well prepared and very competent--except for one thing.

They were painfully unaggressive and completely left out the need to present their message. The marketers may have been just too beat down for several years with all the red tape and all the czars who have completely removed all motivation for advertising and message presenting.

For several years, the field has claimed arbitrary power to decide what they'll sell and what they won't. They said the measurements for the field were very clear, these were the primary measurements of the Company, and they would pick those products which optimize their measurement; and there was no way to look for exception.

You can see how we could remove all spirit and motivation from the marketers. If they brought it to the Executive Committee, the Executive Committee would think of reasons for being conservative and not doing things, but would add little motivation to getting any messages presented.

They believed Jack Shields had arbitrary power and wouldn't dare present anything to him.

Getting it through 30 people sitting at MSSC took forever to get it on the agenda, and it was impossible to get 30 people to be unanimous on anything. Field headquarters blocked everything except what they were interested in. A few people learned to bypass the field, have sales meetings with sales people, or go out and visit sales people without the formality of headquarters.

Those areas which were doing particularly well were the most arbitrary and hardest to influence. The most significant case

was the telephone ordering system. This group was very successful, had high profit and high growth; but what went into the catalog was strictly up to them, and it was arbitrarily removed. The people responsible for the marketing had no access to the decision making process for this most powerful tool we have for selling.

A local salesman always did have, and always will have, to make the decisions as to what his particular customer needs and wants. This is obviously important, but it does not mean that several other layers of the Company have to arbitrarily filter the message before it gets to the salesman.

I believe the answer is clear, which is to separate all marketing from the field operations. The mechanical preparation and mailing of the telephone catalog should be separated from the marketing part of it which should be motivating to get many products sold. When products don't sell, they should first be marketed and then a formal procedure made for removing them from the catalog as soon as it's clear they're not selling.

The marketing groups should have direct access to the salesman with no filtering by headquarters or by areas, and they should be measured on the quality of the job they do. If they are wasteful, inefficient and the products are hard to order, they should be responsible for fixing it, and they should be removed from their job if they won't or can't do it.

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