

"MARPERATIONS™" - The New Science of Business

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Introduction

Graduate schools of business have long sought to create a science of business. From Frederick Taylor to Peter Drucker, who "practically invented the science of modern corporate management," (WIRED Magazine) there have been great developments in forming standards, norms, and best practices in business. Today an overarching pillar of business has emerged. It will impact the way businesses design and build their products and services, deliver these services, educate their customers about their services and products, and it will impact not only how a company operates, but what it stands for in the eyes of the customer. That new pillar of business is "sustainability."

This article produces a new development in the bridging of science and business. It creates a new word never found in the lexicon of any language to describe this new science. Science is about to discover, as it usually (if not always) does, a truth that has always existed in the universe. "Marperations™" the unification, synergy, and integration of marketing and operations has existed since the beginning of time; however, since we did not have a word for it, no MBA program has yet taught it. This term opens the door for the world of business to benefit from a cohesive system; one in which marketing and operations are two sides of the same coin, just as price and quality have become. This new reality of business "Marperations™" is an essential link from business done the old way to business being done in a sustainable manner. Changes of philosophy only have broad impacts when there are changes in operations of equal innovative stature. "Marperations™" is a massive innovation in business and a critical element in making sustainability an integral component, if not, the integral component, of a business's identity, its way of doing business and its way of marketing its products and services.

One of our authors, Arjun Sen, held the unique position of VP of Marketing and Operations Services for Papa John's International. In this job, the new science of Marperations™ was tested in this highly competitive environment and it was proven robust. It is based on sound principles and has produced great, long-term value for the company. While it took years of practice before the one word, "Marperations™" came into our vocabulary, now we realize the need for a name that connects and integrates marketing and operations. With the new push toward sustainability, and planning for sustainability, it has become readily apparent that a company's marketing and operations, or "Marperations™" must work as a unified aspect of the company for the full benefits of sustainability to be achieved within the company and understood and appreciated by its current and future customers.

This article shares some of the wisdom found in the concept of Marperations™ that contradicts the prevailing theory that separates marketing from operations and makes them silos in most companies.

The Prevailing Wisdom

Currently, marketing and operations are separated by job titles, division of departments (not to mention personalities), and by how success is measured. They are further divided by different planning processes and budgetary silos. It is not natural, nor is it wise to have this compartmentalized approach to marketing and operations for many reasons.

The primary reason this is an unwise compartmentalization exists in these two facts:

A company's marketers know that marketing takes place 100% of the time in the enterprise. Every customer interaction is an opportunity for marketing.

Operations personnel know that operations takes place 100% of the time. Every aspect of operations determines product design, manufacture and delivery, plus determines the company's contact with its customer (often referred to as "sales"). Also, operations controls the company's use of energy, its carbon footprint, its treatment of its employees, and determines if the company is operating in the most sustainable manner possible. All of these factors ultimately contribute to the customer experience of the product and the company and they determine the customer's future relationship with the brand.

These two processes always exist at the same time and in the same place. Therefore, the science of business will tell you they are related and, in fact, intertwined, and should not be planned, executed, or examined independently of one another.

The New Wisdom of Marperations™

Science is built on universal truths. The six universal truths behind the concept Marperations™ are:

Every customer interaction - which is usually in the exclusive domain of operations (including sales as part of operations) - is actually marketing to a significant extent.

Every advertising campaign - which is usually in the exclusive domain of marketing - sets the expectation that governs every sale and is therefore in the operations realm.

Linking marketing and operations is critical to presenting one unified message to the customer. This occurs from the start of the marketing communication to the actual sale of the product or service.

The better a company's operations run, the easier and more effective it is to market its product or service.

The better a company's marketing runs, the easier it is to perform the business of operations. At the same time, operations' measures are better when they operate close to capacity rather than at half capacity. If a company links marketing and operations so they can plan, implement change, set goals, and feed out of the same budget together, then improvements in marketing will always spill over to create improvements in operations.

Sustainability must operate throughout a company's operations and marketing or it will be subject to "greenwashingTM" claims and attack by competitors. This overarching philosophy of sustainability needs a home and a champion in companies to withstand challenges and become pervasive in the company's identity. Only by linking marketing and operations into "MarperationsTM" can a company create a true and bullet-proof home for sustainability.

Creating the Path to MarperationsTM

MarperationsTM is not a theory. It is a fundamental, yet new operational approach. It starts with integration of all marketing and operational platforms at every level of the organization. In essence, marketing must inform everyone in operations of all key marketing approaches, and operations must inform everyone in marketing of all key operational strengths, challenges, and change efforts in the organization.

CMO's and COO's must meet regularly and coordinate their activities closely. CEO's must assure this takes place and act as the owner of MarperationsTM. The Board of Directors must require a MarperationsTM report every quarter for the first year to assure this new way of doing business is fully exploited. The CFO must become an integral part of these discussions since this new integration of marketing and operations will require new budgeting formats, new reporting scorecards, will enable a new emphasis on sustainability throughout the organization, plus, will link improvements in the "brand" or reputation of the company to actual improvements in the operations of the company. The nexus of sustainability and linking operations to brand is now becoming apparent in the new marketing campaigns of companies touting their sustainability ratings and improvements. "MarperationsTM" is the institutional home for sustainability to have the impact inside companies that customers will be calling for in ever increasing numbers every year for the foreseeable future.

Conclusion

The benefits of MarperationsTM to the company's bottom line, to achieving its revenues goals, and to creating sustainability as a critical force within the company are obvious. Plans to create this new unified force within a company are the subject of a upcoming series of articles.

A company can develop its own approach and own procedure to integrate this new science into their business. Undergraduate and graduate schools can fight over whether

the Marperations™ course fits in the marketing or operations department of their school. Operations research and marketing research gurus can begin to build success metrics for this new science. Marketing executives can begin to construct new marketing messages that promote the sustainable operations of their companies as a unique value proposition.

Marperations™ is the future of business, but we cannot deny its role in the present. Many companies already have the basis for linking marketing and operations through enterprise wide data systems and new sustainability initiatives. These systems allow the company to merge marketing data with operations data to form enterprise wide reports, reports that measure the existence and results of the new activity we call Marperations™. They allow a new theme, sustainability, to permeate operations and marketing simultaneously and in a cohesive manner. Books will surely be written on Marperations™, but every business can immediately start down this fruitful path and gain the wisdom and benefits of this new science of business.

About the Authors

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