

BOOK REVIEW

Marketing for Competitiveness: Asia to the World: In the Age of Digital Consumers. Philip Kotler, Hermawan Kartajaya, and Hooi Den Huan. Singapore: World Scientific, 2017. 288 pp.

ISBN 978-981-3201-96-5 (pbk).

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This book is one among a very few that were written recently by internationally recognized marketing scholars and were specifically focused on ASEAN Plus Three markets (i.e. Cambodia, Indonesia, Malaysia, Myanmar, the Philippines, Singapore, Thailand, and Vietnam, plus China, Japan and South Korea) in the context of digital consumers in the today's marketplace. The authors of this book are Philip Kotler, Distinguished Professor, Kellogg School of Management, Hermawan Kartajaya, Founder of Asia Marketing Federation and Founder and Chairman of MarkPlus, Inc., and Hooi Den Huan, Director, Nanyang Technopreneurship Center, all of whom are also the co-founders of Philip Kotler Center for ASEAN Marketing. This book addresses the key challenges for businesses to stay competitive in the rapidly evolving 21st century or the so-called Asian Century. The main content is organized into five sections, Preface:

The Anatomy of Change, Part I: Marketing Is Transforming?, Part II: Marketing Is Moving?, Part III: Marketing Is Creating?, and Postface: Glorecalization Mindset: Asia to the World! The book also provides a list of useful summary notes at the end of each section. The preface section describes the anatomy of change as the dynamic business landscape mainly driven by five elements – technology, political legal, social-cultural, economy, and market – where technology is the first primary driver of change to begin the dynamic as a result of digitalization in most Asian countries supported by the development of its digital ecosystem, including infrastructure and support services, network operators, handset manufacturers, distributors and retailers, content, applications, and other services. For instance, most countries in Asia are now flooded with inexpensive smartphones from China which evidently fueled rapid adoption in Malaysia, Indonesia, the Philippines and Vietnam. Consequently, digitalization has enabled machine-to-machine (M2M) versus human-to-human (H2H) interactions in this region like never before.

The market is also an ultimate driver as the new competitors have been arising in many Asian industries, for example, many new players offering mobile payment, peer-to-peer lending, online-only bank services in Asia's banking industry. These new competitors are such as Tencent's WeBank in China and Telenor's Easypaisa in Pakistan. Therefore the customer path in the connectivity era has shift from the traditional 4A stages (aware, attitude, act, and act again) into the 5A stages (aware, appeal, ask, act, and advocate). The Part I section explains the historical transformation of marketing from Marketing 1.0 (the product-centric era), Marketing 2.0 (the customer-centric era), and Marketing 3.0 (the human-centric era) and subsequently introduces the new marketing approach as Marketing 4.0 (the New Wave era), i.e. thriving on the technological disruptions while maintaining the human-centric approach.

To overcome the dilemma of speed versus accuracy in the New Product Development (NPD) process, the Cooper's Stage-Gate model, typically comprising four to six stages each of which has its gate as a checkpoint prior to the next, can be useful for Asian enterprises or SMEs. Xiaomi and Fujifilm are among the successful examples of product innovation in Asia. From the innovation, companies need to connect with Asian digital consumers by engaging their customers at a moment where their target consumers search for information or what Google calls the Zero Moment of Truth (ZMOT). Many successful businesses also create emotional contents worth sharing for digital consumers, such as the Thailand's famous "sadvertising" appeal of Thai Life Insurance commercial campaigns. Asian companies also need to win from human-centric perspective by integrating their social and business objectives. They could harness digital technology to connect and collaborate with other stakeholders to create social impact for the concerned communities.

The Part II section describes in more detail about the New Wave marketing concept which moves from the Positioning-Differentiation-Brand (PDB) triangle to the Clarification-Codification-Character (Triple Cs) concept. Firstly, from positioning to clarification, companies need to progress from a company-driven positioning concept which focuses on a single message, company-oriented content, and one-way communication to a clarification concept which embraces involving multidimensional messages, customer-oriented content, and multiple-way communication. Unilever successfully promoted its Paddle Pop ice cream campaign among Indonesian kids with online entertainment portal and offline clarification in the form of theme parks and activation events to clarify who Paddle Pop is.

Next, from differentiation to codification, as company information can be accessed by consumers from a variety of sources, a successful company needs to internalize its brand DNA throughout its organization which is clearly beyond the marketing department so that every employee understands the company from inside and out as the onion model of codification, comprising three interconnected layers of shared values and substance, systems and leadership, and symbols and styles, respectively. Malaysia's CIMB bank and Indonesia's Garuda Indonesia are among the ASEAN companies who successfully employed brand DNA codification to their organizations. Lastly, from brand to character, a brand needs to be more like a human with a "branding with character" model with six aspects, i.e. physicality, intellectuality, emotionality, sociability, personability, and moral ability. Tesla Motors, Inc., for instance, has managed to address these aspects with its brand upon the entrance to the Asian market.

The Part III section discusses the whole set of competitive marketing architecture concerning three dimensions: strategy, tactic, and value. From the traditional concept of S-T-P (Segmentation-Targeting-Positioning) marketing strategy, segmentation should be adapted into communitization since technology has triggered a sharing economy in which consumers also actively rely on other people from both real and virtual circumstances in making decisions about products to purchase or use. Key factors to consider marketing strategy should change from segmentation using geography, demography, psychography and behavior to communitization using purpose, values, and identify.

Moreover, targeting should become confirmation where the purpose, values, and identify of the company match those of its customers. To generate a successful community confirmation, a company needs to consider relevance, level of activity, and the number of community networks (NCNs) in addition to the four traditional criteria, i.e. market size, market growth, competitive advantage, and competitive situation. In the tactic dimension of the New Wave marketing architecture where differentiation becomes codification, the new marketing mix elements should be transformed from the traditional 4Ps: product, price, place, and promotion to 4Cs: co-creation, currency, communal activation, and conversation, respectively,

in order to create value engagement with digital consumers. As such, selling is now commercialization of a company's market place, prospect company, internal, and customer networks. From the value dimension of the New Wave marketing, brand is character (a value indicator), service is care (a value enhancer), and process is collaboration (a value enabler). The Oberoi Hotel Group is one successful case who refocused its service operations from following standard operating procedures (SOPs) to using values-based principles (VBPs) as a general guideline for all employees called "The Oberoi Dharma."

Lastly, in the Postface section, the book prominently features ASEAN and other Asian marketing best practices from the local level (LPDR's Lao Airlines, Mongolia's UFC Group, Brunei's Hua Ho Department Store, and Macau's Macau.com), regional level (Singapore's Zalora, Cambodia's ACLEDA Bank, Vietnam's Vinamilk, and Maldives' Karumba Maldives), and global level (Philippines' Jollibee, South Korea's Samsung, and Japan's Honda). These exemplars can depict the so-called glocalization formula of today's Asian companies who embrace global/regional/local mindset into their character (the new brand), care (the new service), and collaboration (the new process).

This book provides an up-to-date perspective of essential marketing concepts that fit the today's context of modern Asia as well as digital consumers in these countries. The authors clearly describe the historical notions and focal points of transforming marketing from 1.0 to 3.0 with key challenges and implications to pave the way towards the marketing 4.0 or New Wave marketing era. In the new marketing concept, the change from PDB to Tripple Cs concept is very important and useful for brand strategists and marketers to win hearts of Asian consumers in this era. The new marketing strategy of communitization, confirmation, and clarification elements sound sensible as an augmented version of the traditional S-T-P model in the digital lifestyle context. The 4Cs marketing tactics could also enhance relevance of marketing mix programs in engaging value with digital consumers. Delivering marketing value with care and collaboration seems to be suitable for businesses in many instances as H2H interactions still remain important for Asian consumers.

All the best practices provided in this book are also very useful as a practical marketing guideline to thrive the disruptive digital era in Asia. As such, readers can clearly see real-world case studies of the successful organizations operating in ASEAN countries, as well as other key Asian markets, to understand and appreciate a proper application of each revisited marketing concept in each chapter of the book. Hence, this book is well constructed with up-to-date marketing concepts for today's Asian market and could be used to enhance a perspective of marketing studies in a higher education level for institutions emphasizing on international or Asian markets in the digital era.