



When acquiring, don't forget to merge your marketing

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Companies pursue acquisitions for any number of reasons, most of which are related to growth objectives. Unfortunately, in the course of folding the new business into their own, companies often forget to integrate their marketing efforts.

In some cases, failing to address marketing issues as part of the acquisition can lead to a company unknowingly becoming its own competitor.

If that sounds impossible, consider this scenario: a company that's the largest Midwestern distributor of widgets wants to expand its geographic footprint, so it buys another widget distributor focused on the Great Plains states. Given that acquired company's established reputation, management chooses to let it continue operating under its own name. The problem pops up in Missouri and Iowa, where both companies do business. Now sales teams for the company's two units are fighting over the same prospects, creating significant resentment and morale issues.

Even when direct competition isn't the likely result, acquisitions and mergers can result in any number of complex situations affecting the marketing and reputation of both companies. As businesses plan combinations, they normally focus on operational issues and staffing. It's just as important to consider how a company's marketing strategies and tactics may need to be integrated or otherwise adjusted in light of the acquisition.

For example, is the acquired company going to be absorbed by the acquirer and cease to exist as an independent entity? In that case, consideration must be given to timing and communication with all stakeholders, especially if the business being acquired is a longstanding company with a good reputation. Your company, Midwestern Widget Works, may have a lengthy history and an outstanding reputation in your marketplace. The company you're acquiring, Western Widget World, is also well-regarded where it does business. How will you roll out the Midwestern name to Western's customers? What about suppliers? Local media? The non-profit groups Western has long supported? When and how will you transition websites, vehicle wraps, and wearables? If you don't examine these issues and develop a plan in advance of the transaction, you're likely to create anxiety and headaches, damaging your reputation and brand.

Suppose instead the plan is to operate both companies independently under a common holding company. Will you keep marketing efforts separate, too? As an example, will you have two entirely different websites and SEO strategies, or will you develop complementary sites? Will the branding for the companies differ, or will there be a "family" look and approach? Will sales territories be distinct with clearly defined boundaries or will everywhere along the traditional border be fair game? How will you handle customers with facilities in both territories?

Story Continues Below

How important are your current business names to stakeholders like customers? Would a customer who's been buying from Western for decades think less of doing business with Midwestern? Don't make the mistake of guessing or assuming everything will turn out okay. If you can't answer those questions with complete confidence, find out.

As you consider the marketing-related aspects of your transaction, don't forget about the most important audience: the employees of both companies. Mergers and acquisitions create uncertainty for employees on both sides of the deal. People at the company being acquired may wonder if their jobs will continue to exist. They probably know little about your company and how you do business. Your current employees may wonder about the influx of new talent and whether their counterpart at the other company may be more qualified, rendering them redundant. The sooner and more thoroughly you provide clear details, the less anxiety you'll encounter.

Don't take that anxiety on the part of employees, customers, and others personally, either. It's not a suggestion there's something inherently wrong with you or the way you do business. It's just a matter of human nature. People generally don't like change, and when they envision the impacts of changes, they tend to view them through a negative lens. When you understand that people are considering the worst that can happen, you can create messages to overcome their fears.

The best way to ensure your marketing efforts continue and improve following the transaction is to involve a trusted marketing partner in the planning. While you're not likely to share details as the deal comes together, once you're ready to move forward, bring your marketing partner to the table. They'll call attention to issues you may not have considered and may have surprisingly simple solutions for matters that have you scratching your head.

The more thoughtfully and thoroughly you plan for the marketing-related aspects of your deal, the more likely the transaction will achieve your goals and enhance your hard-earned reputation, brand identity and key messaging.

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