

Talking U.S. Marketing – Take One

I often use this column as a pulpit to rally or rant for or against some prevailing business practice I see taking root around me that I fear will cause damage or think may create opportunity. I try to promote the good and expose the bad, although I confess to having my own agenda with regard to sharing Tudog and the way we, as a company, try to help our clients succeed.

Sometimes I use this space to provide tactics, strategy hints and other advice, calling upon my colleagues and other columnists to also try to stick to genuinely useful information that can help our readers improve their operations. We see these articles as a service to our readers, and hopefully they will see them as a window to the depth of wisdom we have among the members of our highly skilled team.

This month, and next, I want to focus on marketing, with an emphasis on marketing in the United States. Our previous newsletters have provided some insight into marketing fundamentals, as do a number of articles available on our website. What I'd like to share here are insights into the thoughts and processes that go into powerful and effective marketing campaigns in the United States.

1. Question Assumptions - Make sure you check and recheck the assumptions under which you have developed your marketing strategy. Make sure you have taken into consideration all the core elements of your market and that you are compelling in not only the solution you offer, but also the manner in which you project and promote the solution. Too often good marketing people create ineffective marketing programs because they made assumptions based on how they see the world, and not how their market sees it. Question your assumptions, and then you'll have a solid foundation under you as you move into the market.

2. Understand the Concept of Perception of Value - Too often we understand the concept of perception of value to mean return on investment (ROI). This is incorrect. ROI is a calculation companies like to be shown so that they can justify the investment you are proposing they make in your product. Perception of value is an understanding of why your product is worth the money you are asking, not in terms of investment, but rather in terms of its quality and position in the market. To better understand, consider automobiles. There are similarities and differences between low end and high-end cars. The similarities are that they both get us from point A to point B in a motorized vehicle. The differences are what create the perception of value. We are usually willing to pay more for the high-end cars only after we learn how the manufacturers justify charging more. Some of it is genuine, such as leather seats, electric windows and the like. Other aspects are non-tangibles, like prestige and style. Together they create the perception of value. You need to have an ROI analysis. You also need to establish a perception of value among your prospective customers.

3. Position as Improvement - It is tempting to position our products as revolutionary or capable of enabling companies to perform tasks they currently are unable to execute. The risk in doing so is that we often respond to new capabilities in context with our needs, meaning that if we never thought, "gee, I wish I could do that", we aren't exciting when the ability to do it comes along. Unless it is a marked improvement to what we are already doing. Nobody asked for digital video, yet the quality is sufficiently enough

superior to standard VCRs that everyone feels the need to have a DVD player. It's the same with your product. Position yourself as an improvement to existing capabilities - perhaps by expanding those capabilities, and people will respond more readily.

4. Find the "Chord of Familiarity" - A chord of familiarity is the element that makes people understand and relate to your product or your company. Sometimes this can be created through advertising or packaging, and sometimes it is established through commonality of experience. By using examples from the industry - or better yet from the customer - you will be able to establish a relationship with the customer immediately. This will add to your credibility as it will reinforce the notion that you understand their needs and that the solution you are recommending (because we never sell our product, we provide expert advice that relates to our product) is appropriate and meaningful.

5. Communicate Clearly - Make sure you provide a detailed explanation of your product and its uses. Never assume the other side knows your product or understands its purpose. Show people how your product is used as opposed to why they should use it. By showing how, you are revealing why in a much more subtle and visual manner.

6. Implement Quickly - The world is a very competitive place and you should never assume you have the luxury of taking your time. Your very successful presentation and the customer's expressed interest notwithstanding, you have to consider the possibility that one of your competitors has made a similar presentation, or is trying to knock down the door. You need to implement quickly. You have to have proposals submitted and follow-up meetings and integration sessions and price negotiations, and you need to do it all fast. It indicates the degree of your professionalism and your commitment to service. It shows your interest and your passion for your product. It reinforces your credibility. And most important of all, it keeps your competitors out.

7. Focus Your Benefits - It is only natural that people with a technology background get excited by the features their products offer. So it is important to resist the temptation to focus on your features. You need to communicate benefits, not features. The features are what the product does. The benefits are what the product does for the customer. A slight distinction that makes all the difference. Plus, focusing on features runs the risk of a diluted perception of value. People don't like to buy features they can't use or don't want. Technology is viewed from the perception of how a task has always been completed. If you can't offer an improved way, then your features become meaningless. If you can, then that's a benefit, and that's what you need to be communicating.

8. Be Flexible - Most professionals, including Tudog, strongly advise in favor of going to market with the products positioning well defined and its uses and benefits clearly communicated. Yet, sometimes a market defines itself and a product is used for reasons that were unforeseen and unexpected by the manufacturer. Keep your relationship with your market open and listen as much as you speak. Make sure you hear what your customers are saying about your product. They may be opening up a whole new market you never saw.

9. Be Trustworthy - The only way to earn someone's trust is to be trustworthy. Don't promise something you cannot or don't intend to deliver. Don't make claims about your product that are untrue. Business is all about your relationships and your reputation, and each is dependent on how honest and trustworthy you are perceived to be. So be

trustworthy. It may make things more complicated, or the path a little longer, but it is the only way for long-term business success.

10. Find Opinion Setters - Opinion setters are those few individuals in each industry that have the exposure through press or their own vehicles, and the respect of their peers. This combination is critical. Find these individuals and provide them with the information they need so that they can conclude, as you have, that your product is distinctive and compelling. If they agree, they will tell others and become one of your most valuable marketing assets,

11. Don't Sell, Advise - It is crucial that your sales people be perceived as a resource to your customers in that their opinions are valued input when the customer is seeking a solution. Moreover, people do not like to be sold, they like to feel as though they are making the purchase decision based on a given set of criteria they have set for themselves. The task of your sales force is to provide the information that allows them to make buying decision.

These points are all fundamentals of marketing that, when adhered to, help form the principles for sound business practice. More hints next month when we Take Two.