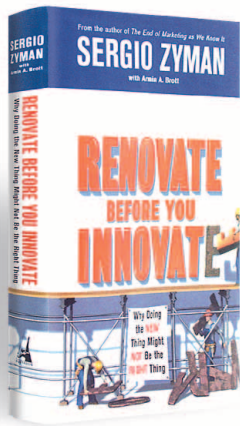




# Executive Book Summaries®

FILE: MARKETING



By Sergio Zyman  
with Armin A. Brott

## Why Doing the New Thing Might Not Be the *Right* Thing

# RENOVATE BEFORE YOU INNOVATE

### THE SUMMARY IN BRIEF

*Obsession with innovation is a current business fad. Many companies rely too heavily on innovation to solve their problems, and they attempt to start over with something fresh to revive old and tired businesses. Innovation sounds great. But it is often the lazy approach to marketing, and it typically doesn't work.*

*So what's the solution? Sergio Zyman preaches the power of renovation to accelerate and sustain top-line growth. It starts with recapturing the essence of your existing brands, products and core competencies and doing more of the things that made your business great in the first place. It includes redefining your competitive space and creating preference for your business. In the end, it provides the most compelling customer experience.*

*Renovate Before You Innovate will challenge conventional business wisdom, facilitate smarter business decisions, and help companies "sell more stuff to more people more often for more money more efficiently™."*

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### What You'll Learn In This Summary

- ✓ How an obsession with innovation has caused companies to lose track of what has made them successful.
- ✓ Why renovation is a better alternative to innovation in driving top-line growth.
- ✓ How renovators can leverage their organizations' core essence to grow their business organically.
- ✓ How market leaders can renovate the way they think, the way they market, and the way they price their goods and services.
- ✓ How to clearly articulate where your company is, and where you want it to be in the short and long term.
- ✓ How to define your competitive space and create preference for your brand.
- ✓ How to more precisely segment your customers in ways that lead to actionable intelligence.
- ✓ What you must do to create a meaningful experience for your customers.

# RENOVATE BEFORE YOU INNOVATE

by Sergio Zyman with Armin A. Brott

## — THE COMPLETE SUMMARY

### Obsession With Innovation

While innovation and risk taking can be critically important elements of some companies' strategy, for most companies, it simply isn't the right way to drive organic growth. What should you do instead? In a word, *renovate*. This means no longer doing *different* things with existing assets and competencies, but doing *better* things with them instead. It means re-engaging with your customers by using your relationship with them to provide the products and services they truly want. Renovation is starting with what you can sell and then seeing whether you can deliver it. There is, however, a big difference between what companies should do and what they actually end up doing.

#### Core Competencies Vs. Core Essence

Your core competencies are not simply a list of your products or services. They are based on four distinct factors: *knowledge* (what you know and what you've learned), *experience* (what you've been through), *resources* (what you have), and *people* (what you do and how you do it). These competencies are the things you're good at; the things you know how to do better than anyone else.

Core essence is somewhat more abstract. It's who you really are as a company or brand. It's the relationship customers and noncustomers alike have with your brand; it's what your brand stands for in their hearts and minds and the promises your brand makes to consumers. Your core essence is critical in determining where you can go as a business — if you try to extend your brand beyond your core essence, customers will not cooperate.

#### Champions at Leveraging Core Essence

If you succeed in leveraging your core competencies, core essence, and assets and infrastructure (the three elements of the value equation), you'll be able to grow your business successfully. Consider Starbucks Coffee, whose core competencies are building stores, motivating people, and sourcing the best coffee in the world. Its core essence is providing a great coffee experience. Likewise, grilling food is the core competency of Outback Steakhouses; its essence is Australia; and its new chain of seafood restaurants, Fishbone (which is modeled on Outback), is a great success.

Businesses that pursue an innovation strategy generally identify new growth opportunities that enable them to

leverage their core competencies and assets. They embrace a philosophy of "Let's start with what we can build and see if we can sell it." Companies that rely on renovation, conversely, start with their core essence and identify new growth opportunities that are consistent with what consumers have shown they're willing to buy. The philosophy of renovation is "Let's find out what we can sell and see whether we can make it."

#### Common Pitfalls

Most companies that consider innovation make one or more of these major mistakes:

- **They focus on leveraging their core competencies instead of their core essence.** A critical part of being able to leverage the three elements of the value equation is having a firm grasp of what they are. Getting the right competencies is easy — if you don't know how to do something, hire someone who does. Getting a new core essence, on the other hand, is virtually impossible.

- **They pursue creativity at any cost and treat all new ideas as potentially equal.** The push to "think outside the box" often masks a hidden agenda that comes from higher up in the organization: Do something — anything — with idle capacity or underused assets. Unfortunately, the side effects of this approach can be precarious. Money is often thrown at bad ideas, as well as good ones. The resulting products often confuse customers who find no real benefit in them. These questionable products wind up taking up precious shelf space that could be dedicated to more useful items.

- **They limit their innovations to only new products, forgetting that innovation is about creating new value**

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### Obsession With Innovation

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**for customers, consumers and the business.** When it comes to identifying organic growth opportunities, an amazingly large percentage of companies are one-trick ponies, focusing only on coming up with new products, excluding anything else. Even worse, the emphasis is clearly on quantity over quality. Such a narrow approach can do more harm than good in many ways, including possible damage to existing brand equity and customer frustration.

- **They grow horizontally, rather than vertically.** Trying to grow a business through innovation means spreading resources horizontally, developing new brands, new customers, and new directions. It's a tremendously risky and expensive path to take.

- **They try to innovate by acquiring other companies, rather than growing organically.** Acquiring another company or brand is the Hail Mary pass of innovation — a desperate, last-ditch attempt to get out of trouble. As with the Hail Mary pass, there's a good chance things will go in exactly the opposite direction from the way they were supposed to go. ■

For additional information on how bad innovations can be expensive, go to: <http://my.summary.com>

### Renovate Instead

The most important of the three elements of your value equation is your core essence. Many people confuse core essence with jingles, logos or advertising slogans. In fact, however, true core essence is the most powerful, compelling attributes of your brand. The core essence of Windows, for example, is “user-friendly”; for Crest toothpaste, it's “fights cavities”; for Pepsi, it's “revolution, choice, and change.”

Core essence is expressed and supported by everything your company does — it is the seed from which your corporation evolves. Without one, you simply cannot grow, rendering you vulnerable to the impulse to flit from one idea to another, never building an organization that will be able to endure over the long haul.

#### Customers Decide

The most important thing to remember, however, is that what you say your core essence is, is completely irrelevant. It is what consumers and customers think that counts. In fact, there's often a big disconnect between what you think your core essence is and what is actually on the minds of consumers. This leaves you with one choice if you want to leverage your core essence — you need to hit the street and start asking people questions about three things that they perceive about your company and your brand:

### New Coke: A Failed Innovation

Sergio Zyman knows the downfalls of trying to grow strictly through innovation — he was the manager of one of the great innovation busts of the 20th century — New Coke. The New Coke formula was foisted upon the market in response to Pepsi's constant repositioning of original Coke's brand through such schemes as the Pepsi Challenge taste tests. Rather than challenge Pepsi on its brand's value proposition (giving consumers a reason to drink Coke), Coke decided to make its product taste more like Pepsi.

It was a disaster. After only 77 days, Coca-Cola brought old Coke back to the market (this time as Coca-Cola Classic). It reconnected with its customers, deepened its relationship with them, and, in the process, increased sales. In that regard, Coca-Cola was lucky; corporate graveyards are littered with organizations that innovated themselves right out of business.

- **Emotional benefits** — how your product makes them feel.
- **Functional benefits** — elements in the minds of customers that make your brand superior to your competitors'.
- **Attributes** — things that affect the functional and/or emotional benefits, even though they aren't benefits themselves.

Doing this kind of research will enable you to see your company the way consumers do. Once you've determined your core essence, you will be able to use that knowledge to renovate every aspect of your business and start generating, evaluating and developing organic growth opportunities.

#### Is Your Company a Business or a Franchise?

Whether your business is a *franchise* depends on whether your business is truly in a position to grow beyond what you're doing now. A business can grow, but only in its defined area. A franchise, conversely, can expand far beyond its perceived area of expertise. Being a franchise enables a company to redefine its competitive frame, broaden its market, redefine its basis of competition, and leverage its unique expertise.

Being a franchise gives you some very powerful advantages that your competition doesn't have. Becoming a franchise isn't a question of just deciding to do it and flipping a switch. You must have at least one of the following:

- **Attitude.** If you want to be great, you have to want to be great, conducting your business as if you know you're great.
- **Value.** Leverage your commitment to value to move into other areas where you can provide that value.

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### Renovate Instead

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● **Experience.** Do not be afraid to expand your experience beyond your perceived boundaries, if the opportunity is a good one for you and consumers.

● **Expertise.** Explore new avenues by leveraging your expertise in your existing field. (See sidebar on right.)

#### *From Business to Franchise Through TACOS*

Businesses become franchises by continually renovating. It's only by renovating that you will learn the kind of information about your customers, your company, your market and your competitors that you will need to grow and expand. You can evaluate your prospects for turning your business into a franchise by using the TACOS formula:

Trademark + Area + Customer Offer = Success

● **Trademark** is a manifestation of your core essence — your unique selling proposition, or what you offer that no one else does.

● **Area** is where you place your trademark — one of the major factors in determining the trademark's relevance.

● **Customer Offer** is your product or service. What you're able to offer your customers is going to be a function of your trademark and where you place it.

● **Success** is what results when all the TACO ingredients have fit together perfectly. Your trademark has to be properly placed in an area where it doesn't overwhelm or get lost, and you have to offer your customers something relevant that capitalizes on your expertise in other areas.

#### *Key Components*

A truly effective business renovation involves overhauling these key components of your business:

- The way you think.
- Your destination.
- Your competitive frame.
- Your segmentation, or how you think about customers.
- Your customers' brand experience. ■

### Renovate Your Thinking

The process of renovating begins with renovating your mindset and the way you think about a number of basic business and marketing ideas. Developing a renovation mentality involves several steps:

● **Training yourself to think like the challenger (or aggressor) and not the champion (or leader).**

● **Committing before you even start to measure the results of every single dollar you spend on marketing.**

● **Getting the idea of giving price concessions out**

### Nike Leverages Its Expertise

Nike has used its expertise in athletic shoes to get into new markets and attract new customers. It started off in a relatively small sector — making shoes for runners — but expanded into offering products for sports performance, such as water bottles, running shorts, and other gear. After that, it expanded into an even bigger sector — overall performance products. Finally, it raised the bar by venturing into any area that values accomplishment — Just Do It.

of your head right now.

#### *Aggressors Vs. Leaders*

The leader is the big player in the market — cautious, cumbersome, and content to kick back and rest on his laurels, never changing a thing about his business or approach. The aggressor is the new kid on the block, or one who has been successful in another area and is trying to make inroads into a new market. He is fast, smart, hungry and he has nothing to lose. (See sidebar on next page, “When Leaders Are Forced to Follow.”)

Big players in existing markets cannot get complacent. The only way to stay alive is to keep renovating, remain true to the business' core essence, and keep doing better and more relevant things with existing assets.

#### *Make Marketing More Effective*

Customer loyalty is one of the most perishable commodities in the world. There is a critical moment in every transaction, when the choice comes down to your brand or a competitor's, and the customer must decide whether you have provided a compelling reason to buy your product. If you have, you'll make the sale; if you haven't, you'll see the customer's back as he or she walks away from you.

Reminding people why you're great is always important, but there are two situations that nearly every company finds itself in at one point or another:

**1. You're under assault by aggressors and it's getting increasingly harder to stay afloat.** In this case, you must redefine your positioning against these competitors in a way that not only differentiates, but that also creates preference. You must know what your core essence is, who your customers are, why they buy from you when they do, and why they go to certain competitors when they don't.

**2. You're an also-ran in a stagnant category.** In this case, you must give current customers a reason to buy from you more often by offering them value instead of just a product or service.

#### *Measurements Count*

The purpose of marketing is to drive sales, and every dollar you spend on marketing should generate measur-

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### Renovate Your Thinking

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able results. You must have a plan to measure the results of your marketing activities before you put them in place. In other words, you have to create control markets and build in measurement criteria up front. Ask yourself these three questions:

- **How much are we spending on marketing?**
- **What exactly are we spending it on?**
- **What are we getting in return for our investment?**

If you know the answers to these questions, you will ultimately sell more products to more people, more often and more efficiently. Your overall goal must be to maximize the returns generated by your marketing investments. Know exactly how much you're spending on each specific marketing activity. Then, when you have a handle on spending, you'll be able to determine the return each activity generates. Once you have that information, you'll be able to focus your efforts on the activities — or combination of activities — that produce the best returns, instead of wasting money on things that don't work.

#### *The Traps of Inefficient Marketing*

Most companies rarely do this; instead, they fall into one of the following traps:

- They don't track what they do, nor do they measure the amounts they invest.
- They rarely use consistent metrics to link activities, investments and sales.
- They rarely measure systematically the volume of response generated from any specific activity.
- They neglect to take a structured approach linking marketing investments with brand objectives.

What they should be doing is the following:

- 1. Change the way they think.**
- 2. Break down their overall marketing budget and determine exactly how much they spend on each marketing element.**
- 3. Calculate how much of their sales are being driven by each individual marketing element.**
- 4. Determine the net profitability of those elements, resulting in a clear picture of the efficiency of each.**
- 5. Focus their efforts on the things that generate the highest return.**
- 6. Dump the things that lose money or bring in little profit.**

#### *Don't Slash Prices*

Everything you do communicates something about your brand to your customers and prospective customers. Even your prices communicate something about your business, and can be an important part of your marketing strategy.

### When Leaders Are Forced to Follow

The differences between leaders and aggressors are illustrated in the following examples:

- ✓ **Diet and caffeine-free soft drinks were not introduced by Coke.**
- ✓ **Overnight package delivery was not introduced by the U.S. Postal Service.**
- ✓ **Online mapping was not introduced by Rand McNally.**
- ✓ **Cell phones were not introduced by AT&T.**

Not one of these innovations was developed by an industry leader, but each one forever changed its industry. Had the leaders listed above been the ones to introduce these things, they would have been renovations — extensions of an existing brand. None of that ever happened, though, because these companies were asleep at the wheel.

Most companies, however, fail to manage their prices at all. Prices tend to go one way — down. Think long and hard about lowering them, even temporarily. Temporary price breaks tend to become permanent. Your competitors will see your lower prices and drop theirs; once they do this, you'll have to lower yours again to stay ahead of them. It's a downward spiral that leads to decreased profits. ■

### Renovate Your Business Destination

Take a deep breath and think honestly about your current circumstances and everything — good and bad — that you're facing. Be honest with yourself — don't try to convince yourself that your business is headed in one direction when it is really going the opposite way. Determine, also, what obstacles you're facing. Once you have those things down, you can determine how to get where you want to be.

#### *The Destination Statement*

The first step is to come up with a destination statement, which articulates where you want to end up as a business. You need to articulate how you want the consumer to think, feel and act in relation to your company and brand. The statement must also express the outcome you want to achieve in the marketplace — where you want to be, as opposed to where you are currently.

The best destination statements address these questions:

- How do we define our business? What business do we want to be in on a long-term basis?
- Who are our target customers? Who should we sell

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### Renovate Your Business Destination

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to, directly and indirectly, now and in the future?

- What do we want them to think? What attributes and benefits will customers ascribe to our brand?
- What do we want them to feel? What intangible, higher-order benefits and attributes do we deliver?
- How do we want them to act? What do we want them to do as a result of their feelings and thoughts?
- What do we want as a result? How will our company benefit from all this over the long term?

#### *'Dimensionalizing' Your Destination*

Your destination (as well as the statement that articulates it) must be specific enough to guide the decisions you make, painting a clear picture — for everyone who directly or indirectly encounters the end consumer — of who you are, what you believe, where you're going and what drives you on the journey. It must also lay out clearly — from the perspective of consumers — how they interact with you, how they think about you, how they feel about you, and the role you play in their lives.

#### *What's in It for the Customer?*

A clearly defined destination leads to more effective business objectives, guides the development of marketing strategies, and ultimately drives success in the marketplace. The real goal of destination planning and articulating a concise destination is this: Having a clear destination will clarify what your value proposition is and how to improve it.

Your value proposition is the catalyst that propels your brand and business to their destination. All that matters is what your brand means to your target customer and, in turn, how the customer acts on that meaning. What gives your brand meaning is your answer to the customer's most important question — "What's in it for me?" Your answer to that question is your value proposition.

Your value proposition must operate on the three levels of perception customers have about your company and your brand, as mentioned earlier: emotional benefits, functional benefits, and product attributes. Put another way, your value proposition must have the power to move consumers up the value chain. ■

For additional information on how Nike defines itself, go to: <http://my.summary.com>

## Renovate Your Competitive Frame

When most people think of their competition, they think only of their industry rivals, other companies in the same category, or other companies that offer similar products

and services. That, however, is only part of the story.

Your real competition is the entire set of viable alternatives to your product that compete for your customers' money and time. This is your competitive frame, and it includes many things that you might never have considered.

#### *Coke in Russia*

One great example of a competitive frame can be seen in Coke's first foray into the Russian market. The company spent much time researching its competitors, and what it found was shocking. Coke's biggest competitor wasn't Pepsi, or some regional cola, or even vodka. Coke's biggest competitor was the city bus. Many Russian consumers simply did not have enough disposable income to buy a Coke *and* take a bus home from work, so they had to choose one or the other.

Rather than being able to compete on taste and refreshment, as they had in other markets, Coke had to convince Russian consumers that it was a good value for the money, and that when it came down to a choice between a Coke and a McDonald's hamburger or a candy bar or a magazine or some other nonessential item, Coke was the best — and most satisfying — investment.

#### *Defining Your Frame*

How you define your competitive frame will have a direct impact on the size of the opportunity, the diversity of consumers and competition, and the benefits you'll need to offer in order to compete effectively. Defining a narrow competitive frame may seem safe, but it's usually a big mistake. The broader your definition (assuming it's consistent with your core essence), the more purchase occasions and the greater wallet share you will capture.

Some companies have enough equity and relevance that they can expand their franchise into completely new categories. These companies might not look like your competitors right now, but they could be back to claim your business tomorrow.

#### *How Are You Different?*

By definition, every brand is very different from a commodity (a good product or service that is perceived to be undifferentiated from other similar products or services). Typically, the only determinant of a commodity's value is price. Quality is assumed to be identical, unless you tell consumers otherwise and give them a compelling reason to pay more.

Differentiation, on the other hand, is where value is created, and is what separates you from the pack. The driving philosophy here is the belief that customers do not buy sameness. The only way to build brand equity and drive sales volume is through offering consumers relevant emotional benefits. ■

### Renovate Your Segmentation

The objective of segmentation is to group markets, customers or consumers in order to maximize profit. Traditionally, it's done by dividing consumers into neat, predictable demographic, psychographic or behavior-specific groups. The assumption for each is identical: that everyone in each group will behave the same way — reading the same magazines, watching the same TV shows, eating in the same kinds of restaurants, etc. When you segment your market using these traditional methods, you get segments that are:

- **Meaningful and mutually exclusive.** Each segment should be different enough from the others that it is unique. Plus, each customer should belong to only one segment.
- **Measurable.** Each segment should be clearly definable and have a quantifiable market share.
- **Substantial.** Each segment must be able to produce enough volume and profit to justify an investment in new offerings or marketing strategies.
- **Attainable and actionable.** You must be able to design a separate value proposition for each segment, and you must be able to reach that segment in order to sell to it.

#### *Demand-Based Segmentation*

These factors are not enough to help you achieve volume growth. If you want growth, you have to allocate your resources to the segments that produce the highest profits. What you need is a completely different approach to segmentation, one that enables you to segment your market based on the values, attitudes and behaviors that shape demand, as well as the attributes and benefits that will increase that demand. Such an approach is called demand-

### Small Businesses and Competitive Framing

While it might seem like a discussion of competitive framing might be applicable only to large companies, it applies to small companies, as well. If, for example, you run a neighborhood pizza restaurant, you might define your competitors as “other local pizza restaurants.” However, when a chain like Domino's Pizza enters your market, you will suddenly be faced with huge competition with regard to time and convenience, even if you make a better pizza. You're also competing against cheap frozen pizzas in grocery stores; high-end pizza parlors and their frozen pies; make-your-own pizza products like Boboli pizza crusts; as well as local Chinese, Thai, and Italian restaurants. When the Super Bowl comes around, you'll be going head-to-head against chips and dip, too.

Bottom line: Run your business aggressively to take on a variety of competitors, or you'll rapidly lose sales.

based segmentation, and it incorporates these three steps:

1. **Identify your most valuable customers.**
2. **Segment the opportunity.**
3. **Segment the occasion.**

#### *Identify Your Most Valuable Customers*

Demand-based segmentation is about giving existing customers a reason to buy more. Roughly 80 percent of your business comes from 20 percent of your customers. You'll get that 20 percent to buy more by segmenting those existing customers based on their usage. Create an ideal customer profile and conduct the requisite research to help you segment customers by their attitude toward your company. Such attitudinal segmentation might look something like this:

- **Hard opposition** — the unconvertible loyalists of your competition. You can write these people off.
- **Soft opposition** — the consumers who are currently not in your brand franchise, but aren't loyal to any one competitor. Winning them over will be hard and expensive.
- **Undecided** — those with no allegiances to speak of. You can probably win these consumers' business with price promoting, but you cannot win their loyalty.
- **Soft support** — those who like your brand and occasionally use it, but not often enough. Moving them to greater loyalty is efficient and highly effective in building profitability.
- **Hard support** — the consumers who are your strong loyalists. They'll keep buying from you even if they have to pay a premium to do so.

#### *Segment the Opportunity*

Segment consumers based on their response to specific benefits, products, services, promotions and other inducements. Demand-based segmentation defines the marketing levers that are the most effective and that you can use to target and sell to each segment. In other words, it makes segmentation actionable, enabling you to forecast increases in usage by influencing the perceptions of the brand and products used, considering the following questions:

- ✓ What specific products and/or services will increase consumption?
- ✓ What is the probability of increased usage due to specific products?
- ✓ What amount of increased usage can be expected?

This segmentation will produce a framework of opportunities rather than a structure of the market. As such, it will guide all marketing strategies.

#### *Segment the Occasion*

There are two particular occasions that deserve special discussion:

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### Renovate Your Segmentation

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**1. Purchase occasions.** Growth in this area comes from penetrating additional places where the decision to make a purchase is made. Penetrating additional purchase occasions helps you differentiate from competitors.

**2. Communication occasions.** Many companies also miss opportunities to understand the many ways they have to communicate with customers. Thinking outside the normal methods of communication can help you reach more consumers, as well as sell more to those customers who already buy from you. ■

For additional information on what consumers say vs. what they do, go to: <http://my.summary.com>

### Renovate Your Customers' Brand Experience

Even though you might think you're selling a product or a service, you're actually selling an experience. That experience is often the only significant thing that separates you from your competitors. In most cases, experiences have little to do with the products themselves, no matter how hard the companies that offer them try to make a connection. Harley-Davidson motorcycles, for example, are not the most comfortable or fastest, or best-designed bikes on the market. That's not what matters, though. The reason people buy a "Hog" is for the Harley experience — "ride to live, live to ride"; wind in your hair, American classic, etc.

The real reason products in and of themselves have become almost afterthoughts is because technology has advanced to the point where nearly any company can "copycat" a product and have it on store shelves in a ridiculous amount of time.

#### *The 9/11 Factor*

The big question is why experience has become the new basis of competition in so many categories. In 2001, consumer research found that after 9/11, consumers started placing much more emphasis on family and relationships. Recent research found that, although 9/11 has become a less painful memory, there are some lingering effects. Consumers indicated that, on any given day, if they had to choose between making more money and taking things a little easier, they'd go with easier. The brands and products they find most appealing are the ones that make their time more enjoyable, not the ones that save them money.

Time, it seems, has become a kind of new currency, and its scarcity has made consumers more conscious, discriminating and more aware of the "present tense" than ever before. Product benefits and attributes are sim-

### Gibson Reaches Out With *The Passion*

Churches are not usually the first locations that leap to mind when you think about places to advertise movies. Mel Gibson, however, saved millions of marketing dollars for his film *The Passion of the Christ* by doing advance screenings at churches, distributing 250,000 promotional DVDs, and conducting 300 *Passion* "summit meetings" with clergy and other religious officials and laymen. Before the movie was even released, churches had reserved \$10 million worth of seats.

Thanks in part to a combination of these alternative communication occasions, *The Passion of the Christ* generated \$125.2 million in its first five days, rivaled only by two other films — *The Lord of the Rings: The Return of the King* and *Star Wars Episode 1*. Both of those films spent considerably more on advertising.

ply no longer enough. Today's consumers want experiences — experiences they can feel and touch, experiences that will change their emotions, their attitudes and maybe even their lives.

Being aware of this shift is great news for your company. Being able to compete on the basis of experiences expands your competitive frame and gives you more opportunities to deliver value and differentiate yourself from competitors.

#### *Service-Based Experience*

Experiences can sometimes be service based. Any company, large or small, can provide a similar level of service-based experience. The only rule is that every single employee — from the CEO on down — must know and fully support the company's core essence and business destination, with no exceptions.

Overall, the experience you offer is likely to be a combination of product attributes, service, retail environment and every other point of contact you have with consumers — your advertising, promotion, marketing, PR and sponsorships. It also includes your Web site, packaging and employment policies; how your receptionist answers the phone; and how your top executives behave at parties.

The only way to build loyal customers is to deliver experiences that create value beyond mere satisfaction. Consumers are looking for experiences that complement their lifestyle, and brands that say something about their aspirations. ■

For additional information on how Swiffer swiftly has company, go to: <http://my.summary.com>