



## Walk the Dragon

### Session 5 - Marketing

**3-Jan-2021**

#### **IDEA 1: CENTRAL THEME**

- Marketing in a nutshell is finding and messaging who should receive the value of your product or service and what value benefit would they receive.
- The main thing is that your customers love you or hate you – but not ignore you. They should know that you exist and what value you provide. This will be successful as long as you are able to create vivid emotions in the minds of your potential customers.

#### **IDEA 2: TWO KINDS OF MARKETING**

- Useless Marketing - When there is a campaign by an Ad agency or PR agency or Google or Facebook Campaign, with brochures or webpage – but there is no follow through. This happens when you put any campaign out there, without knowing what precisely you are trying to achieve. It won't generate any insights or follow through.
- Useful Marketing – Is a Marketing Campaign that yields results. if you think of some of the most successful companies, it was some viral moment they hit it off. If your marketing campaign is creating a neutral emotion, something is wrong! Be Brief – out of the people who choose to read your message only 20% of people will read the body, the rest 80% will read the header. Go back to the basics, be brief, allow people to convince themselves.





### IDEA 3: LOU VINCENT GERSTNER'S REVIVAL OF IBM

- In early 1990s, IBM was losing money and IBM appointed a new CEO – Lou Vincent Gerstner. On joining IBM, he said, “the last thing that IBM needs right now is a vision.” They need to market their new image post mainframes to focus on areas where the revenue was coming from.
- Gerstner’s team identified that they need to move to B2B Ecommerce and created a new common marketing campaign to identify IBM with its new mission. This was a transforming time for IBM to find an identity in post-mainframe world.

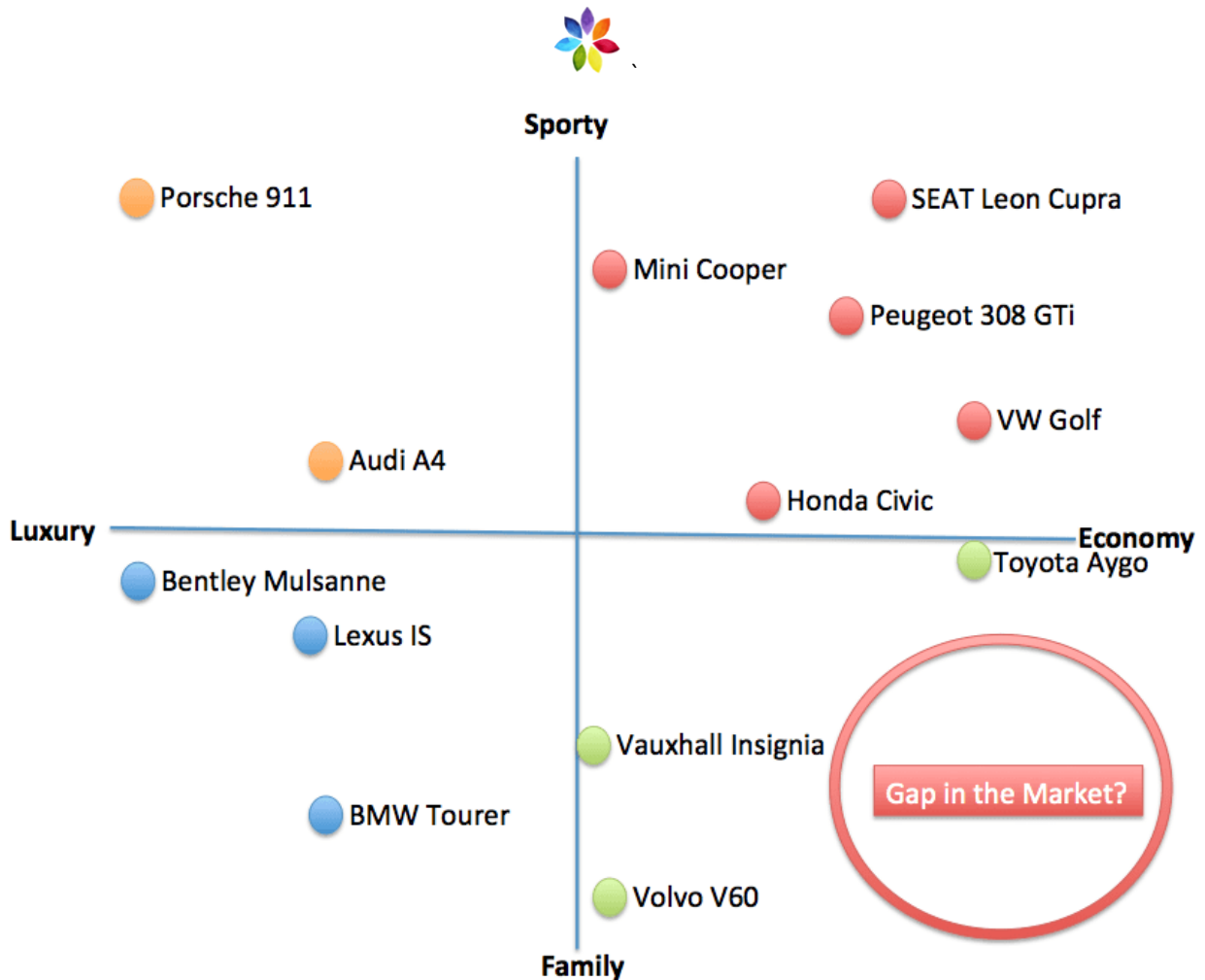
### IDEA 4: TWO KIND OF MARKETING CAMPAIGNS

- Undifferentiated Marketing: In this type of Marketing Campaign – one tries to address the widest possible audience. All the market segments see the same message. Its mass messaging to spread the information, it can fall flat unless it is done with intentionality.
- Differentiated Marketing: This type of Marketing requires a lot of research into your customers and you know your customers well. This targets with very specific goals, with structure and targets to be achieved.

### IDEA 5: STP MODEL OF MARKETING

- Segmentation – is who you want to appeal to and why. Failure to research one’s market segment is often the reason why marketing campaigns fail. Without it one cannot create vivid experiences.
  - Demographic (Age, Gender, Income, Location, Family Situation, Annual Income, Education, Ethnicity)
  - Psychographic (Personality, Value, Attitude, Interests, Lifestyle, Influence, Motivation, Priorities) e.g. people who are attracted to “os.me” platform are those who are truth seekers.
  - Behavioral (Purchasing Habit, Spending Habit, User Status, Brand Interaction)
  - Geographic (Zip Code, City, Country Radius, Climate, Urban or Rural)
- Targeting – which segment you want to target or appeal to. This will allow you to make emotional connection. Without emotional connection – your customers will likely ignore you.
  - Evaluating the viability and attractiveness of each segment.
  - Catch only one rabbit at a time (from Ja Ma’s anecdote in “Focus” Lecture).
  - Create Connection – Product values and purpose is to create connection
    - E.g. The Android Video on “**Be Together. Not the Same**” was one of the most shared ad in 2005 to show that Android has a very wide appeal. In a very emotionally appealing and tasteful manner.
    - Let them love you or hate you but never forget you.
- Positioning – This is to position your product to target the most valuable customer segments. Identify the market gaps where you will have the advantage of less competition.





Example of Market Axes and Identifying where a Gap exists to Position your product, courtesy [Smartinsights.com](http://Smartinsights.com)

## IDEA 6: "THINK DIFFERENT" APPLE'S MARKETING CAMPAIGN

- Marketing is about communicating one's values in a very noisy world. So, one has to be very clear on what we want to communicate. Some of the most iconic marketing campaigns communicate the sense of emotions like Dairy Industry's "Got Milk" or Nike's marketing campaigns honoring Athletes and their Achievements.
- Apple is not about making boxes which allow people to do their job. Apple's Core Value is that People with Passion can Change the World. Apple has an opportunity to interact with people who share those values. Apple's Brand Campaign was to get back to their core values and beliefs and the result was "Think Different" Marketing Campaign to honor iconic figures who think different and move the world forward.
- *"Here's to the crazy ones. The misfits. The rebels. The troublemakers. The round pegs in the square holes. The ones who see things differently. They're not fond of rules and they have no respect for the status quo. You can quote them, disagree with them, glorify or vilify them. About the only thing you can't do is ignore them. Because they change things. They push the human race forward. And while some may see them as the crazy ones, we see genius. Because the people who are crazy enough to think they can change the world are the ones who do."*





## IDEA 7: FOUR P OF MARKETING

- Product – a good or service that a company offers to the customers. A product should provide value to its users. An excellent product or service with high quality is a given in any equation.
- Price – is the costs your customers will pay for the product. Marketing strategy should link product's price to its value. Consider if you want to be high volume, low margin or vice versa. A good marketer will consider price elasticity over time.
- Promotion – is to disseminate relevant product information to customers and provide differentiation from one's competitors. Promotion can include traditional advertisement or newer social media campaign.
- Place – is the ideal location of segment of customers where you want to place the product which would convert potential customers to actual customers. This is relevant for online transactions as well.

## IDEA 8: THE NINE P OF MARKETING MIX

- Price, Place, Promotion, People, Process, Physical Evidence, Public Relations, Personal Selling, Product.





### IDEA 9: ANECDOTE – MAKE YOUR MARKETING INTRIGUING

- Mr. Praful Billore, wanted to get into a prestigious MBA university, however, was not successful. In his out-of-box thinking - he started a tea shop - MBA Chaiwala ('Mr. Billore Ahmedabad Chaiwala'.) He created a niche by creating a service where job seekers would drop their resume and employers would come for tea and peruse the dropped off resumes.
- This marketing has intrigue in the name itself. That has a lot of educational value that one shouldn't use too flowery or excessive words in any marketing outreach. Keep it intriguing, yet simple.

### IDEA 10: PRICING STRATEGIES

- Psychological Pricing – this strategy is to encourage customers to respond based on emotional impulses rather than logical ones. Examples of time-based offer or special days like “Father’s Day” or Price Appearance of using 19.99 instead of 20 are demonstrative of Psychological Pricing.
- Dynamic Pricing- this strategy is to charge different price based on who or when are we offering the product. This flexibility in pricing is usually driven by supply and demand. Airline or Hotel Industry’s pricing model is most reflective of Dynamic Pricing.
- Captive Pricing – this model is to price the core product quite low to encourage sales, but secondary but necessary components are priced higher. Examples are Razors and Blades; the razors are priced cheap but proprietary blades that make up for the upfront lower prices. Similarly, low introductory priced printers and high-priced ink cartridges.
- Competition Based Pricing - this is to use competitors’ prices for similar products in setting the prices. This is done to price based on what current market dynamics support. Examples are 5% cheaper than the competitor.
- Penetration Pricing – this strategy is to disrupt an existing market and attract customers by offering lower prices during its initial phases to penetrate the market and gain market share. Examples are Jio’s cellular pricing or Uber’s pricing compared to regular taxi services.

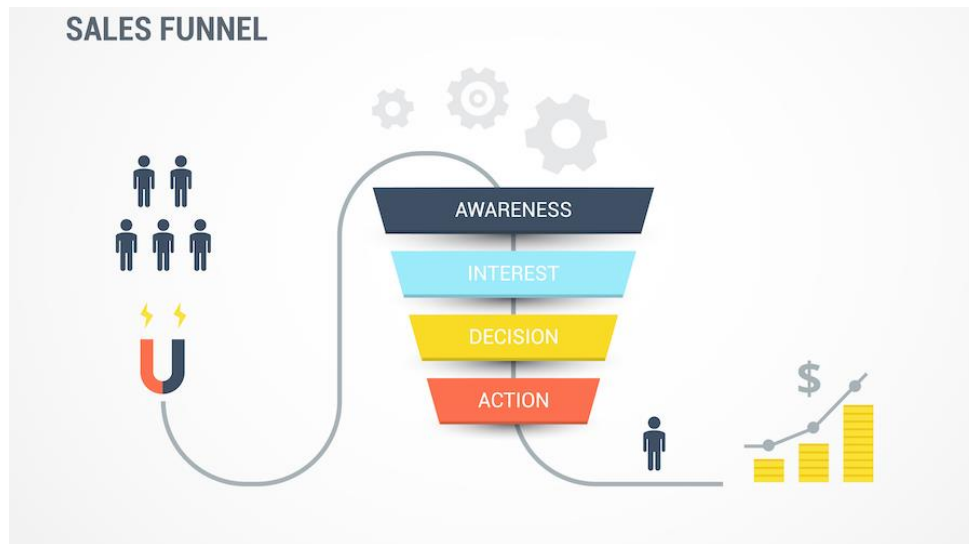
### IDEA 11: SCOTTISH GRANNY` ANECDOTE - POWER OF SOCIAL MEDIA

- Scottish Granny reading – “The Wonky Donkey” story to her infant grandchild with her infectious fits of laughter as she was reading the book caused the book to be a best seller. While this is a cute example that makes one smile, there is a strong lesson on the power of Social Media to help influence the market about your product.
- The idea is to create a vivid experience and when you can create a vivid experience, your customers will never be able to forget you. In today’s world which is digitally connected, social media can help get your content can go viral – and allow it to reach out to a very large number of people.

### IDEA 12: SALES FUNNEL

- Awareness – Making your customers aware about your product or service.
- Interest – Piquing their interest by Storytelling and developing attraction with the product.
- Decision – Overcoming their natural resistance and influence them to make the decision.
- Action – To take the action to convert to an actual sale.





### IDEA 13: RULE OF 17 – REPEAT TILL THEY GET IT

- Communicating the change message requires 17 repetition. Don't give up early. People have a natural mechanism to tune out attempts to influence or persuade them. Don't expect your messaging to work right away, you will need to reinforce it multiple times.
- Here are the seven stages of interaction with your customers before they buy into your messaging:

### The Rule of Seventeen

#### Communicating the Change Message Requires 17 Repetitions

1	}	They don't hear you
2		
3		
4	}	They realize you're saying something
5		
6		
7	}	They begin to listen
8		
9		
10	}	They realize you are serious
11		
12		
13	}	They begin to question you on the message
14		
15		
16	}	They begin to act on it
17		
17	}	They are carrying the message

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Let them love you or hate you but never ignore you.

*Notes compiled by a lovely student in Om Swami's "Walk the Dragon" Leadership Program.*

*P.S. The student wishes to remain anonymous.*

