

***BE DIFFERENT or be dead:* Your Business Survival Guide**

SECTION THREE: BE DIFFERENT Marketing

LEARNING POINTS

- In order to Be Different, organizations need to morph to customerized marketing and go beyond Marketing 101.
- *Customerization* involves a fundamental shift in emphasis from focusing on products that satisfy the needs of broad market segments to creating holistic offers that are based on the requirements of smaller customer groups.
- *Customer learning* is the continuous process of gathering information on customers in a manner that will drive Be Different marketing programs.
- There are two ways to implement customer learning: *asking the customer* and *understanding customer behavior*.
 - Asking the customer supplements traditional market research methods with customer information gathered from many customer contact points in an organization. Treat a customer contact as a moment of strategic opportunity.
 - Understanding customer behavior involves developing customer information through tracking and analyzing the way in which customers interact with your organization and how they use your products and services.
- Customer learning involves a different approach to segmenting your market. Unlike mass marketing, it uses many segmentation variables to define many small segments to get a deep understanding of the individuals in each segment. In a group of one hundred customers you know more about each of them than if you had a group of a thousand. Marketers, keep on segmenting!
- Customer learning must be instituted throughout your organization to make getting close to the customer a continuous process; this should be a core competency of your business and a key descriptor of your culture.
- Discover *customer secrets* in addition to traditional customer needs. Through relationship building, develop intimate knowledge of each of your customers and small customer segments as the underpinning of your Be Different strategy. Ensure that this knowledge drives marketing development activities as well as sales and service.
- There are two practical approaches to creating *holistic offers* depending on the customer learning method you choose: asking the customer and understanding customer behavior. Decide which method works for your organization but remember that, to be successful in either case, you need to develop a compelling and unique value proposition that resonates with your target customers.
- A holistic offer is not a bundle. Price it at a premium consistent with the value provided. Do not price discount.

- In order to implement the portfolio of Be Different marketing ideas, you need an operating model and process that defines the relationships between ideas and provides a basis for measuring marketing effectiveness.
- Build a Database Marketing (DBM) capability in your organization based on your operating model. Use DBM as the vehicle to define and communicate your marketing requirements to the IT people. Remember, small organizations can use DBM principles even though it might be inappropriate to make substantial IT investments.
- Reorganize your marketing department so that the customer gets a prominent place. Keep your product marketing teams but change their role to support the new *customer marketing* organization.
- As the key measurement of success for the Be Different marketing organization, measure *customer share* or share of wallet. The traditional market share measurement is still relevant but it is not characteristic of Being Different.
- Profits are always scarce. Be Different and adopt the *Cost = Revenue – Profit* paradigm for managing your marketing returns on investment.
- Put the competition in its place. Observe what they are up to and learn as much as you can about each of them, but don't get mesmerized by barriers to entry. Look for ways to keep customers from leaving you rather than just considering ways to keep competitors out. Aggressively act for customers, enhancing their loyalty and creating *barriers to customer exit*.
- Here is a summary of the difference between traditional marketing concepts and the customerized marketing approach.

'Marketing 101'	Customerized Marketing
Market research	Customer Learning
Mass Markets	Small clusters of raving maniacal fans
'Average' customer	Customer-of-One
Customer needs	Customer <i>Secrets</i>
Products and services	Value-Based Holistic Offers
Product marketing	Customer Marketing
Product Marketers	Happiness-Through-Experience Marketers
Profit = Revenue – cost	Cost = Revenue – profit
Market share	Customer share
Barriers to competitive entry	Barriers to <i>customer exit</i>