

Business Marketing 101

Standing out in a crowded marketplace is, of course, incredibly challenging for any business – customers are unaware of your brand, and they have first to know that you exist. **In this post- COVID recovery phase period, it has never been more important for business than to refocus on customers.**

Let us begin the journey down a basic sales funnel: -

Unaware – Your business begins with the need to build awareness about yourself and your offerings

Lead – Someone in your target market who is not yet engaged with you

Prospect – Someone in your target market who has expressed interest

Customer – Invested in your offerings

Fan/Referrer – Tells others

In summary, people must know what you do; then you've got to convince them that you're the right people to buy from. You must turn those people into leads and then convert them to sales. If you do it properly, then you end up with fans or referrers – people that go out and broadcast why you are so wonderful. And that's important.

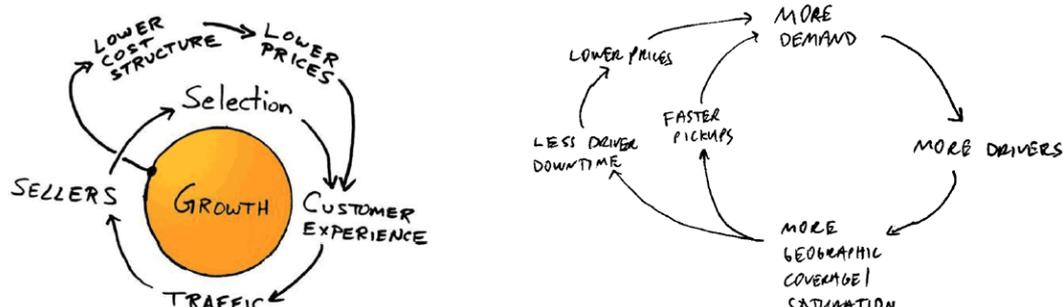
Fanatical referrers are what you really want as there's not much credibility in me telling you my company is great – but if someone else says my company is great, then that's ten times more powerful, and people are far more likely to buy.

Your real job is to widen your sales funnel – and that's where standing out from the crowd through great ideas and your unique business offerings & capabilities (make sure you find them) - comes into play.

Capabilities-driven strategy suggests that companies that have a clear way to play (WTP) that aligns with market demands, and that invest in a system of four to six differentiating capabilities that enable the company to excel at the WTP, are better positioned for success. But increasing clock speed changes the calculation. Today, the half-life of a competitive advantage may be fleeting. As industries are disrupted, players that have been successful within the context of one business cycle might need to rethink their differentiating capabilities, their investment portfolios, and possibly even their WTP more frequently and dynamically.

Constructing flywheels

The virtuous circles designed by Amazon (left) and Uber (right) have allowed them to thrive in this age of higher clock speed.



Note: Original Amazon sketch: Jeff Bezos (2001). Original Uber sketch: David Sacks (2014).
Source: Ashish Khandelwal post, Medium, July 27, 2016

Let's look at two remarkably simple examples of companies that have thrived in this age of higher clock speed. Jeff Bezos's original "napkin" diagram (see "Constructing flywheels" diagram above), drawn well before Amazon became a leader in online retailing, describes a virtuous circle of broader product selection, better customer experience, more sellers, more traffic, lower cost structure, and lower prices, all reinforcing one another. A diagram describing Uber's strategy shows a similar dynamic at work. Faster pickups generate more demand, which attracts more drivers, leading to better geographic coverage, less driver downtime, and lower prices. The components of the flywheels include positions or features that encourage reinforcement through causal effects, thereby increasing exponential and nonlinear adoption. One can assemble such flywheel approaches by thinking carefully about the most important features that are going to drive demand and the causal linkages between them.

Sense, act, learn

The flywheel strategy has three components, built into an analytics or AI system that can sense the market, think through different strategic choices, act on those choices, and evaluate and learn from the outcomes, and then, once again, sense the response from the market.



Sky-High Branding Concepts

British Airways is a memorable example of how you can use one idea to transform a company. In the 1970s their reputation was lowly rated – famed more for losing baggage and running late than providing a pleasurable passenger experience. However, they were able to make the claim that they were 'the world's favourite airline' for one simple reason – statistically, more people flew with them than anyone else.

They took that mantra to every aspect of the business. Would the world's favourite airline lose 40% of its bags? Would its engineers have planes that didn't leave on time? It transformed the whole organisation based on that one clever thought, and the absolute genius was to roll out that message through the entire business.

Surprise and Delight

When you go that extra mile, people remember. When Canadian airline WestJet ran its first Christmas Miracle campaign in 2013, its impact was huge. A Santa Claus appeared on-screen asking passengers what they wanted for Christmas. On arrival at their destinations, their gifts were waiting for them – fulfilled by eager WestJet staff. The media reaction was huge, a Christmas tradition was born and WestJet's popularity, naturally, went through the roof.

Ideas Come from Insights

What can small businesses do? Great Ideas also come from opportunity. Do the legwork, read the label and you'll be amazed what you can uncover. Take a chance and put it out there.

Be bold and fail fast. However, the key to success is to find a way to stand out from the crowd. Reid Hoffman (the founder of LinkedIn) once stated: 'If you are not embarrassed by the first version of your product, you've launched too late.' This is his concept of 'failing fast'.

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