

PART ONE 
Seven Steps for Selling
to New and Unfamiliar
Customers

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CHAPTER ONE

Get Out of Your Comfort Zone to Grow Sales

“SPRAY AND PRAY” VERSUS BROAD THINKING AND NARROWCASTING

Marketers are lazy. I should know—I’m a marketer. I don’t mean to imply we don’t work hard. We do. We work our butts off. And we tend to be unappreciated. There’s even a joke about it in my field: “When business is great, the credit goes to the Sales Department. When business is bad, blame Marketing.”

Marketing is hard. It’s not like other disciplines in business that are easily measured or quantified. For example, if you’re in the Product Development Department of a technology company and you develop a new computer system, you can test and test and retest that system to see where the bugs and glitches are before you ever release it for launch. In marketing, we can take certain steps to “test” our thinking,

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our approach, and our message, but it's still very hard to anticipate human behavior, desires, and what will ultimately inspire someone to buy something.

Marketers are also highly accountable for the results of their work. If you're a marketing executive at a company and your efforts don't yield the anticipated sales results, your butt's on the line. If you work for an ad agency and your clients don't get the results they want or expect, your clients will probably fire you. If you're a small business owner, your budget pressure is enormous and you need to make every dollar count.

When I say "marketers are lazy," what I mean by that is that we are often guilty of being lazy *thinkers*. We are under so much pressure to hit our numbers (sales targets or budget targets, or both), that we often take the path of least resistance or the easiest route to getting our work done. For example, sometimes marketing executives compromise on doing the *right* thing and end up doing the *safe* thing—the thing that makes their boss or their shareholders happy. Instead of marketing to your potential prospect, you end up marketing to yourself (or your boss).

I recently saw a brochure for a midsized accounting firm. Their potential customers are other businesses that need the services of a solid accounting firm. As a small business owner myself, I can say that some of the things that might be important to other business owners could be personal service, reasonable fees, excellent tax advice, financial problem solving, tax savings strategies, and long-range thinking and planning steps, just to name a few.

However, this brochure touted none of those attributes. Instead, it featured a picture of their building, and inside, a bio of their founder. It's hard to believe that anyone would choose an accounting firm based on what their building looks like. And most people are smart enough to know that the founder, if he or she is still alive, will not be the person actually working with you on your business.

The brochure was clearly meant to satisfy the ego of the founder, rather than actually stimulate new business for the firm. I'll bet it didn't do much in the way of getting sales results, but by giving the boss what he wanted, the marketing executive probably made his own life a lot easier.

That's what I mean by being lazy. We have so much pressure on us to hit those numbers, hit those deadlines, and keep everyone happy that we compromise. Or we want sales results so badly that we take the broadest approach possible to our marketing efforts, hoping to reach as many people as possible with our message.

I call this "spray and pray." You spray your message out there as widely as possible and pray it works. It's the opposite of targeting. It's "broadcasting" in the truest, most literal sense of the word: casting your net as broadly as possible, hoping to catch a lot of fish.

A better approach today is *narrowcasting*—learning as much as possible about your target audience, however small that audience may be, and communicating to them frequently, richly, and relevantly. It's better to reach 10 percent of what I call your "high-potential market" than to reach 90 percent of a market that doesn't really care about your company or your products.

Most readers of this book have probably never done this, so you're understandably a little afraid of this concept of narrowcasting. You don't know how to do it. You don't know how to find the percentage of the market that represents "high potential," and you don't know how to create products, services, or messages that are relevant to that high-potential customer. You're nervous that you'll make a mistake, offend somebody, or look bad to your boss. And let's face it—on top of all that, you're busy! You've got a lot on your plate, and doing thoughtful, careful consumer marketing takes a lot of time. So you continue to "spray and pray" because it's faster and easier. And it's "safe."

But you were smart enough to pick up this book. You know you can, and should, do more to reach new markets. What you may not know is this: *every business can grow this way*. Narrowcasting and marketing to people's values can be your "secret sauce." It will be the thing that differentiates you from your competition and sets you apart in the consumer's mind. And I promise you this: your competitors are not likely to be developing marketing plans around narrowcasting. No, they are much more likely to stick with spray and pray, which means that you have a wide-open field of opportunity before you.

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TOYOTA TUNDRAS, NIKE, AND IPHONES

Apple Computers built their business by narrowcasting. In the 1980s, Apple targeted the Macintosh computer at specific, narrow segments like graphic design, education, and publishing. The Mac became the preferred computer for people in those industries. Gradually, the popularity of Macs spread and, today, Apple is one of the strongest brands in the world. The iPhone strategy was similar: they didn't try to sell everyone an iPhone initially. They focused on the people who would influence their friends and colleagues. Apple *narrowcasted* and targeted trendsetters and tech-savvy people who want to stay connected. From there, iPhone sales spread like wildfire.

Jones Soda Company grew their business by narrowcasting, too. Jones Soda Company is a small beverage company, and they never had the multimillion-dollar marketing budgets to compete with established brands like Coke or Pepsi. One of their company mottos is "Run with the little guy . . . Create some change." They want to be seen as the everyman who just happens to make good sodas. This is evident in the witty quotes and unique pictures on each bottle, the fact that they avoid conventional advertising, and their ever-changing flavors.

Because they were a funky "alternative" soda brand, they narrowcasted and went after consumers who might appreciate their funky, small company appeal. They placed their soda coolers in tattoo and piercing parlors, skate parks and surf shops, and funky little fashion boutiques—places that attract people who are into self-expression and alternative lifestyles. They relied on word-of-mouth recommendations from their loyal fans as well as a group of extreme athletes that they sponsored. Today, Jones Soda Company is much bigger and very successful, but they still narrowcast. You'll find Jones in Barnes & Noble bookstores, Panera Bread Bakeries, and Starbucks. They don't just want their consumers to have a soda; they want them to have an experience. By aligning themselves with bookstores and coffeehouses, they are part of the experience the customer has while browsing for books or meeting friends for coffee.

My company helped Toyota launch the redesigned Toyota Tundra in Texas by targeting Hispanic men who work in construction. The Tundra, Toyota's largest pickup truck, faced steep competition from

brands like Ford and Chevy, which were perceived to be “tougher” trucks. Toyota needed to establish the new Tundra as the biggest, baddest, toughest, most durable, hardworking truck on the market. Trucks are enormously popular among Hispanic men, and sales research showed us that Hispanic men buy more trucks than any other consumer group. But to truly “narrowcast,” we needed to identify *which* Hispanic men would be our best potential customers for the Tundra. In Texas, 74 percent of all construction workers are Hispanic. And if anyone knows about hard work, tough days, long hours, and physically demanding work, it’s people who work in construction. We targeted Hispanic construction workers, knowing that if they were convinced the Tundra was tough, durable, and fit their needs, that word would spread throughout the rest of the Hispanic community and we’d be successful. Besides TV, radio, and billboards, our campaign also included using catering trucks, the food trucks that go to construction sites and bring sandwiches and drinks to the workers. We knew we’d have to bring information about the Tundra to the workers, rather than wait for workers to discover the Tundra. It worked. The redesigned Toyota Tundra was a huge success, and Texas was the top market in the country for Tundra sales during the launch.

The key to narrowcasting is to stop thinking about your potential customers with old terminology and concepts. Demographic data (age, sex, income, education, etc.) used to be the main way that advertisers and marketers defined their prospects. But data doesn’t tell the whole story of who a potential customer is or what their life is like.

For example, if you wanted to sell peanut butter back when most women were housewives, it was pretty simple. The primary purchasers of peanut butter were (and still are) moms, and they made the decision about which brand to buy: (Skippy or Jif or Peter Pan, etc.). Moms were pretty easy to reach back then. You could build a marketing plan centered on reaching **women, ages 18 to 49**. That’s not very specific, but it was sufficient back then. Why? Because ages 18 to 49 are the prime childbearing and child-rearing ages for women. And, since most women then didn’t work—they were homemakers—most women had children. Additionally, our culture was different in those days. “Fitting in” and being like all the other moms was desirable. Standing out or being different was usually *not* desirable. So it was pretty easy to saturate the “mom market” just by creating a broadly appealing ad and

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running it on TV shows that got high ratings among women viewers in the 18 to 49 age bracket. A few well-placed ads in a few soap operas, featuring healthy, happy, adorable kids and their mom making peanut butter sandwiches and—done!

Today, it's different. Women may still be the primary target for peanut butter, but women today are much harder to reach. Most women are moms. Some aren't. Many work. Many don't. Many are single, raising a family and holding down a demanding job at the same time. Some want their kids to eat only organic food or food they've prepared themselves. Others don't cook at all. Some moms value convenience, others, price. You get the idea. Moms are not "one size fits all" anymore.

The point is, demographically defining your customer is not as effective as it once was. It was effective when people lived similar lives and lifestyles, when our culture was more homogenous and when there were fewer media channels. There was a time when there were only three television networks and the news was on just twice a day. Today, we get news instantly, every moment of every day, across every conceivable kind of media platform. We can customize our media choices and choose to receive only the information we want. We can skip past ads on TV and download programs and movies whenever we want. We get everything our way, on our schedule, just the way we, as individuals, want it.

Demographic descriptions don't paint much of a picture of consumers these days. I'm a woman, in that age bracket of 18 to 49. I am completely different than another woman who may be my exact same age and have my exact same household income. I am childless, I live downtown in a major city, I drive a sedan, and I own a business. Another woman my same age may have three kids, live in the suburbs, drive a minivan or SUV, and be a stay-at-home mom. We may share a gender, an age, and even an identical household income level, but after that, we'd have very little in common. My life revolves around work, travel, clients, and marketing. I buy milk once every 10 days. I fill up my car with gas once every two weeks. I meet friends downtown and we go out for sushi.

The mom in the above scenario may have a life that revolves heavily around her kids' school functions, after-school activities, grabbing groceries several times a week, filling up her SUV two times a week

because she drives her kids to multiple activities and lessons, and runs a ton of errands. When that mom socializes with her friends, she may be doing it in someone's backyard or at a school function. We're both women, we're both the same age, but that's where the similarities end.

That mom and I are going to have very different priorities. Our lives are completely different. If I see a marketing message targeted to busy moms, it just washes over me and past me because that's not me. I can't relate. The new marketing magic is in creating messages or ads that say "I get you" to your potential customer. "I get you, I get your life, your needs, and your wants, and I have the perfect product or solution for you."

So how do you reach people who are so different? If we can't spray and pray like we used to, what are we supposed to do?

The answer is: dump the demographics and, instead, market to people's *values*. If you can tap into my heart and mind, you'll tap into my values. And if you can do that, you *will* tap into my wallet. It's foolproof.

One of the powerful examples of this is Nike's "Just Do It" ad campaign. Nothing in the Nike ads promised that if you buy a pair of Nike shoes you'd run faster or be a better athlete. They didn't tout the features of the shoes. As an athletic shoe company, Nike knew that people have different reasons for working out. Some people work out to relieve stress. Some work out to control their weight or blood pressure. Some work out because they have sedentary jobs and they crave movement and feeling their body in motion. Regardless of why people work out, everyone's reasons for doing so are personal and valid. Nike perfectly tapped into these values by simply stating "Just Do It." Those three words conveyed so much. They conveyed, "You know why you work out. You know why it's important to you. You don't need us to tell you to do it. You know. So just do it." This spoke to people's *values*, not their demographic profile.

Another example is telecommunications services. Cingular Wireless (now AT&T) was the first to offer "rollover minutes" in one of their plans. The idea came to them from focus groups with young teens, a highly desirable target group because they *live* on their phones. Cingular asked these teens which of their plans they found most

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appealing: the 2,000-minute plan, the 3,000-minute plan, the 5,000-minute plan, and so on. And the teens in the focus groups responded with comments along the lines of, “*How do I know how many minutes I’m going to need this month? How can I plan to talk 2,000 minutes? Why do the minutes have to expire anyway? Why can’t they just roll over to the next month?*” Why not, indeed? And the first plan with rollover minutes was born. It was one of Cingular’s most popular plans—and one of their most expensive. It was successful, not because it was marketed to a specific demographic group (teens), but because it spoke to that group’s *values*. In this case, the rollover minute plan meant “freedom”—it gave the illusion of having the freedom to talk as little or as much as you wanted, because you wouldn’t “lose” anything. You wouldn’t lose your minutes. And if there’s anything teens love, it’s flexibility and freedom.

TAPPING INTO THE HEARTS AND MINDS OF NEW CUSTOMERS ALSO MEANS TAPPING INTO THEIR WALLETS

Ultimately, *we all spend money on what we care about*. If you want to learn what people care about, follow the dollars. Look at what people spend their money on, and you will understand what their priorities are.

Do they donate to their church or temple? Do they buy only products made from 100 percent recycled paper and plastic? Do they shop at farmers markets and organic food stores? Do they send their kids to private school? Do they home-school their children? Do they contribute money to charities or political organizations? Do they buy the latest tech gadget the minute it hits the market? Do they save all year to take one great vacation? Do they not save a penny and live in the moment? Do they buy top-of-the-line cookware or eat out every night?

These are just a few examples of how you can study people, what they buy, how they live, and learn about their values. Nothing in the list of questions above has anything to do with demographics. It’s all about lifestyles, priorities, and *values*. And that is the secret sauce, the key to how to market to people not like you.

In the next chapter, you’ll learn how to research a new customer segment so that you can learn what they might want or need and

how you can meet that demand. You'll see how marketing to specific values creates a deep emotional bond between your product or service and your customer. You'll also learn how other companies, large and small, have successfully narrowcasted, gained incremental sales, and grown their business with new and very, very loyal customers.