

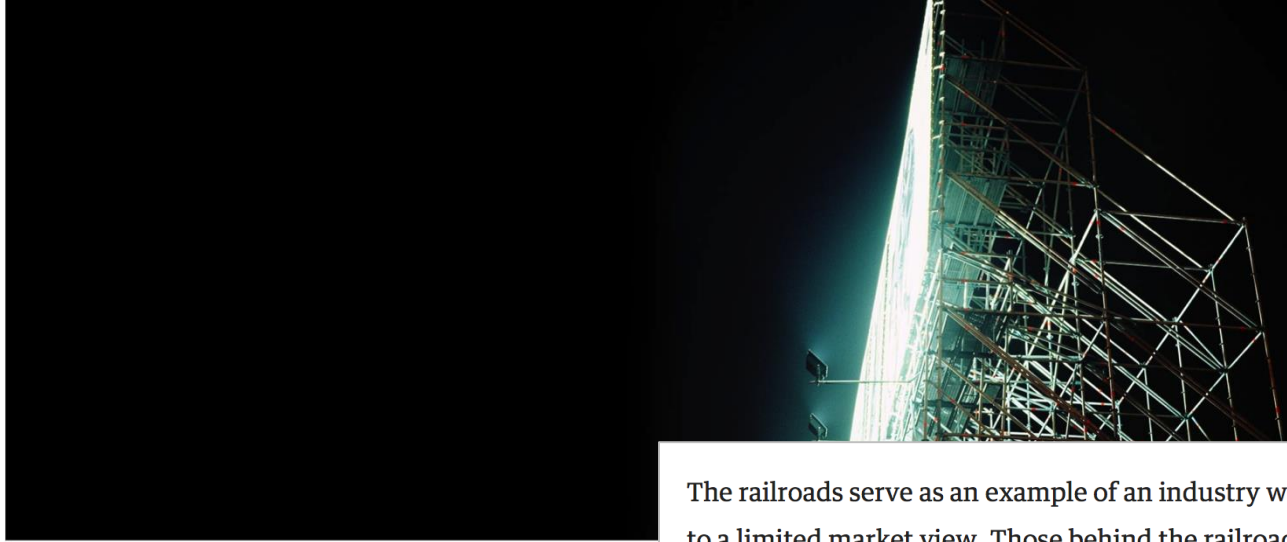


Get to Aha! Workshop

REPOSITION FOR A NEW RELEVANCE
MEGA-CONFERENCE

By Andy Cunningham
February 28, 2018





GROWTH STRATEGY

Marketing Myopia

by Theodore Levitt

FROM THE JULY-AUGUST 2004 ISSUE

The railroads serve as an example of an industry whose failure to grow is due to a limited market view. Those behind the railroads are in trouble not because the need for passenger transportation has declined or even because that need has been filled by cars, airplanes, and other modes of transport. Rather, the industry is failing because those behind it assumed they were in the railroad business rather than the transportation business. They were railroad oriented instead of transportation oriented, product oriented instead of customer oriented.



Dependent on an old paradigm?
Addicted to yesterday's business model?

Disrupt...



NETFLIX

amazon



TESLA

Or die



NOKIA

 **BlackBerry**

Kodak

ToysRus



Reposition for a new relevance:
Who are you? Why do you matter *now*?

What is the future of news?



Baby steps underway



DIGITAL DELIVERY

SOCIAL MEDIA

IMAGES AND VIDEO

THE SEGMENTERS

THE AGGREGATORS

THE LISTERS

PAYWALL

Think different



facebook.

HUFFPOST

QUARTZ



BuzzFeed

ALJAZEERA

A 12-step program for newspapers





STEP 1

Cement the goal.
Redefine your business
for a new relevance.



STEP 2

Inventory your assets.

- ☒ Journalism ethics
- ☒ Advertisers
- ☒ Readers
- ☒ Physical delivery
- ☒ Digital delivery
- ☐ Other



STEP 3

Develop a new business model.

Take advantage of value
creation and value capture.



STEP 4

Align corporate structure with new business model. Your organizational structure should map to your new business, not your old one.



STEP 5

Discover your corporate DNA.

Company DNA



Mothers

Win based on building the best relationships with customers.

Examples:
Amazon, McKinsey,
Amex, Nordstrom,
IKEA, Facebook



Mechanics

Win based on building the best products or services.

Examples:
Microsoft, Oracle, Intel,
GE, Sony, HP, 3M,
Adobe, Electronic Arts



Missionaries

Win based on creative vision and exist to change an industry.
Examples: Apple, Starbucks, Virgin, FedEx, Google, Salesforce.com

Characteristics of Mothers



Customer
Companies

Customer companies win because of their relationships with those they serve and the experiences they create. To that end, Mothers do the following:

- Focus on customers in management discussions
- Maintain an outside-in perspective on the world
- Measure success in terms of relationships, not sales alone
- Initiate tracking studies and market research to get to know their customers
- Create a customer experience that transcends product offerings
- Measure profits against customer segments
- Focus on expanding customer segments and serving needs
- Hire conceptual, personable leaders to close the gap between the C-suite and customers
- Drive marketing through brand and customer loyalty
- Motivate employees to excel at customer service
- Work to ensure that their value proposition delights customers
- Test their value proposition with customers to ensure that it remains highly relevant

Characteristics of Mechanics



Product or
Service
Companies

Product companies exist to build the best products or services and take them to the masses; size matters. To that end, Mechanics do the following:

- Focus on products in management discussions
- Redefine “better” over and over again
- Communicate through winning language
- Project absolute confidence in knowing the product’s superiority and desirability
- Maintain a feisty, aggressive, sometimes egotistical image
- Productize everything and consider it a core competency
- Measure success by market share
- Look at the world in terms of winners and losers
- Promote a sales-centric culture
- Admire in-depth product/technology knowledge
- Organize business units around product lines
- Be almost paranoid about maintaining dominance

Characteristics of Missionaries



Concept
Companies

Concept companies win on the basis of creative vision and direction and exist solely to change something fundamental about a product, service, or industry. To that end, Missionaries do the following:

- Focus on ideas and customer behavior in management discussions
- Exhibit drive to bring the world a new way of doing things
- Focus on innovation as core to product/service/solution
- Seek to disrupt current market paradigms and business models
- Foster high-energy environments
- Promote a risk-taking culture
- Maintain a singular vision that everyone embraces
- Engender a passion in people to be part of it
- Employ charismatic senior executives
- Project vision as central to the customer value proposition
- Offer a life choice to employees, who generally share their leader's passion to change the world
- Generate a cultlike reputation

DNA test (1 of 3)



1. Which of these statements best describes what your company does?

- a) We solve a valuable customer need, and we do it better than anyone else.
- b) We build a truly differentiated product with a great value proposition.
- c) We shake things up; our goal is to change the world.

2. Think about the achievements your company values. Which of these three important achievements do you perceive your company values the most?

- a) The quality and value of our relationships with customers
- b) Growth in revenue, sales, and adoption of our product
- c) Sparking a movement that changes people's minds or behavior

3. Which of these three styles of innovation do you believe occurs most naturally at your company?

- a) Outside-in: What improves the experiences or better solves the needs of a customer or group of customers?
- b) Inside-out: How can we do something better, faster, cheaper?
- c) Way out there: What lies beyond the horizon? What bold idea is next?

4. Which of these best describes your typical pricing strategy?

- a) Based on usage or service
- b) Value or cost-plus
- c) Freemium or aspirational

DNA test (2 of 3)



5. You've just been given a dollar to spend on marketing. On which of the following three projects would your company be most likely to spend that dollar?
 - a) Insight into customer needs and desires
 - b) R&D on a truly amazing new product design or feature concept
 - c) A thought leadership platform
6. Which of these three types of people would fit in best with your company culture today?
 - a) Empathetic servant-leaders who intimately know and understand the customers' point of view
 - b) Brilliant developers, engineers, and leaders who get things done
 - c) Big thinkers who make a "lifestyle choice" by joining our company
7. Which of these best describes where product marketing resides within your organization today? (If you don't have a formal product marketing organization, check the option for where it most likely would reside if it did exist.)
 - a) Reporting to our CMO—aligned with sales, marketing, operations, and product management
 - b) Reporting to our CTO—aligned with product management, IT, and R&D
 - c) In the C-suite, reporting to our CEO
8. For which of the following things is your company's CEO most likely to be lauded in the marketplace?
 - a) Reputation building—for service, relationships, communications, and/or customer experience
 - b) Product evolution—for business performance, technical skills, patents, and IP and/or sales achievements
 - c) Vision—for gregariousness, personality, inventiveness, pioneering, and/or giant thinking

DNA test (3 of 3)



9. Which of the following three project proposals would most likely be funded by your executive team at its next meeting?

- a) An end-to-end target customer experience assessment and redesign canvassing all touchpoints
- b) An R&D project to develop a near-term to medium-term solution to a present or emerging technical problem
- c) A feasibility study on an exciting but theoretical concept

10. How would your company's leadership team most likely confirm that a value proposition for your company is "correct"?

- a) We tested it at our latest round of customer advisory groups, and they loved it
- b) Sales are up, and brand reputation is high. The metrics show it's working
- c) We simply "feel" it; customers don't know what they want until we invent it

11. Which of the following three statements best describes how your company defines the word *brand*?

- a) The sum of all the experiences a customer has with our company across every touchpoint
- b) The look and feel of our company—our logo, product names, taglines, product packaging, design style, tone of voice, and so on
- c) The way our spirit is embodied—a challenge to the world to think differently

12. Which statement feels most true?

- a) Answering the questions was easy
- b) Answering the questions was difficult
- c) Our management team answered them all differently

Results



- If your answers to the first 11 questions were predominantly (a), you're a Mother.
- If your answers were predominantly (b), you're a Mechanic.
- If your answers were predominantly (c), you're a Missionary.

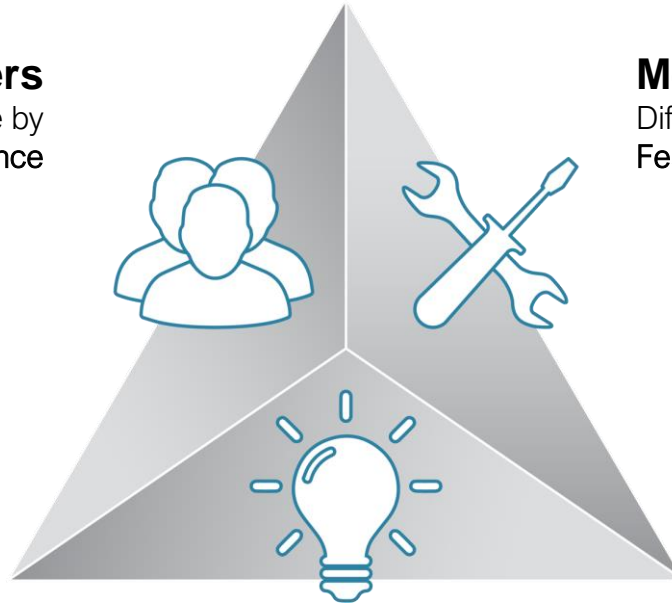
Positioning direction



Mothers
Differentiate by
Segmentation or Experience



Mechanics
Differentiate by
Features or Value



Missionaries
Differentiate by
Next Big Thing or Cult of Personality

So what?



When you know what you're made of,
you can make something of it.



STEP 6

Determine your category
or define a new one.

Category options



	EXISTING	RE-SEGMENTED	NEW
CUSTOMERS	Known	Possibly known	Unknown
CUSTOMER NEEDS	Well-defined	Target underserved areas or become a value provider	Transformational improvement
COMPETITION	Lots	Few if right	None
RISK	Difficult to compete against entrenched competitors	You get the market/product wrong	Lots of education, \$ required



STEP 7

Understand the community you serve.

Circles of influence



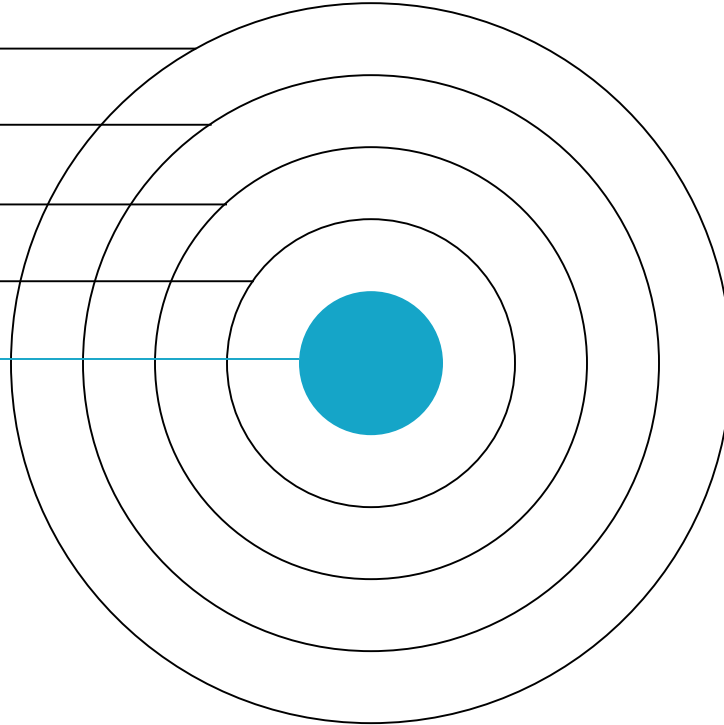
Influencers

Others in Buying Chain

Potential Buyers

Customers

You

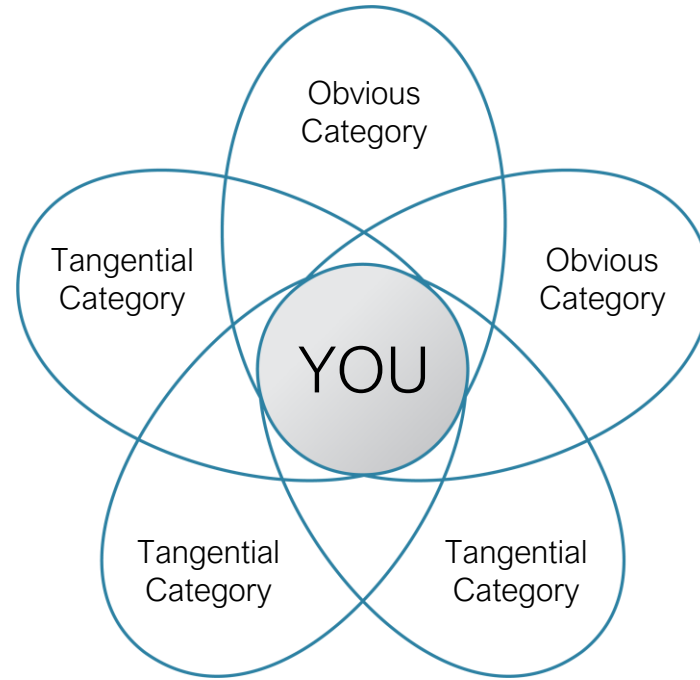




STEP 8

Examine your competition.

Obvious and tangential competitors

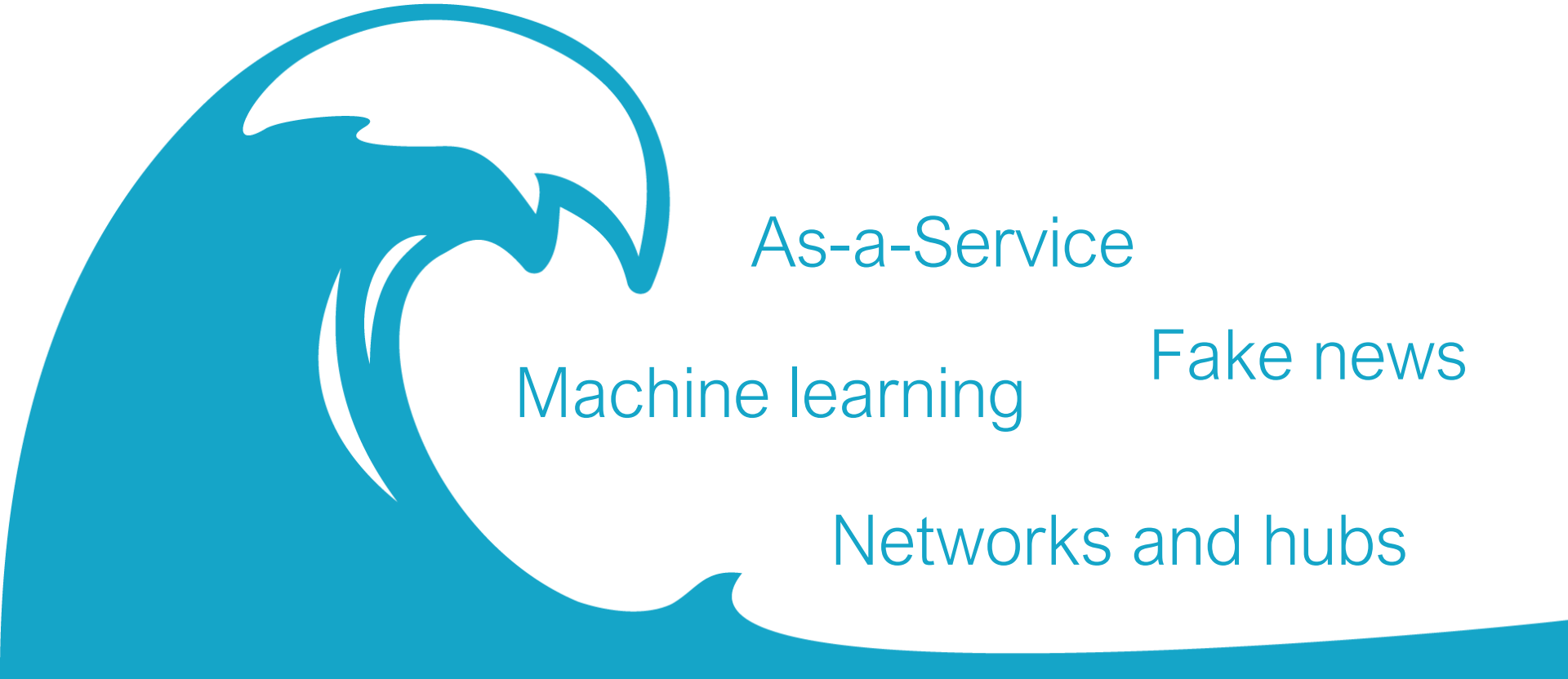




STEP 9

Ride the contextual wave.

Leverage context



As-a-Service

Machine learning

Fake news

Networks and hubs



STEP 10

Unique role and relevance.

Who are you? Why do you matter *now*?

Develop your new narrative



1. Positioning statement

2. Message architecture

3. Your story

Your positioning statement



My Company, as a _____ **(DNA type)**, is focused on _____
(genotype). We are a _____ **(category)** company providing _____
(differentiated solution) to _____ **(target market)**.

We _____ **(value proposition with a verb)** by offering _____ **(some of the benefits of the product or service)**. Our product or service exists because _____ **(reason to exist at this time)**.

Your message architecture



Target market	The market you wish to serve with your product or service. These are your customers and your potential customers.
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Differentiator	The single most palpable quality that makes you stand out from the competition.
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Category	The group of peers in which your company belongs.
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Value proposition	The key benefit you offer your most important customers. The primary reason a customer would buy from you.
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Positioning statement	Articulates the differentiated role you play in your industry as well as your relevance to customers.
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Key messages	The top three to five (no more!) messages that must be understood within a specific timeframe.
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Elevator story	The corporate story in brief—just the facts.
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Brand archetype	A genre you assign to your brand that is based on symbolism.
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Brand personality	The personified traits that define your company.
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Brand driver	The single word or phrase that best captures the essence of what your brand stands for.
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Corporate narrative	The emotionally charged story of your company that answers the questions why your company? Why now?
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Your story



Once upon a time...



STEP 11

Strategic wheel.
Organize for action.

Get everyone involved



Action initiatives





STEP 12

Infuse everything with
your new narrative.

And I mean everything!



WEBSITE

SOCIAL MEDIA

BLOG

PR

EVENTS

EMAIL

COLLATERAL

SALES PITCHES

ADVERTISING

RECRUITING

TRAINING

Establish your digital footprint



Make it so

