

The 22 immutable laws of marketing flashcard



**ASSIGN
BUSTER**

Marketing consultants, Al Ries and Jack Trout, carefully and logically outline 22 “ absolute” laws for succeeding in the marketing arena in this book. This duo is also credited for authoring Bottom-Up Marketing, Marketing Warfare, and Positioning. The main point, repeated throughout the book, is that marketing is based around the perception of the consumer and once that consumer has formed an opinion on your product or company, it's nearly impossible to change it.

Each chapter identifies an immutable law and provides plenty of examples of how different prominent companies' marketing strategies either succeeded or failed based on a particular law. Failures often occurred due to poor decision making by a company based on false assumptions. As you read through the book, each law seems fairly simple understand and apply. But the key is using a combination of all 22 laws to be successful. Every year there are billions of dollars wasted by companies on marketing. If your company has a good design, excellent execution, and funding for the project, it does not mean you are prepared to market successfully.

When you are promoting a new product or service, the first thing to consider is that it is better to be first than it is to be better. “ It's much easier to get into the mind first than to try to convince someone you have a better product than the one that did get there first. ” It's always easier to remember who's in first place or who the leader is. Companies' who venture out to be pioneers in their categories often become the generic names used for those products, such as Xerox, Kleenex, and Coke. If you are entering an area in the market that has already been established, then set up a new category you can be first in.

Everyone is interested in what is new, and you will have no competition. But more importantly, it is better to be first in people's mind than to be first in the marketplace. " Being first in the mind is everything in marketing. Being first into the marketplace is important only to the extent that it allows you to get into the mind first. " Once a consumer has made up their mind, all the marketing dollars in the world can't change it. Therefore, marketing is not a battle of products; it's a battle of perceptions. Being first is essential because when you have an open mind to work even with a small amount of money it can go a long way.

However, all is not lost if your brand is not number one. The strategy you will use depends on which rung you occupy on the ladder. Each category has a ladder with no more than seven rungs representing seven leaders in the category. The higher ladder position, the greater the market share and place in the customer's mind. Every market eventually becomes a two-horse race. There are always at least two major brands battling for the top. One brand being the reliable one and the other is the upstart (i. e. Coke vs. Pepsi). If you are Burger King and shooting for second place, your strategy is determined by the market leader McDonalds.

In other words, do not put all of your effort into trying to be better than the top company but instead try to be different. A good number two can not afford to be timid. For every attribute your product is known for, there is an opposite effective attribute. " In order to succeed you must have an idea or attribute of your own to focus your efforts around. " For example, since Coke had the market on the older generation, Pepsi focused its efforts on the

younger generation. The last aspect that is vital to the every start of a new product or service is funding.

Without adequate funding, an idea won't get off the ground. A great idea is nothing without financial support. You need money to get into your consumer's mind and then some more money to stay there. Once your project has gotten off the ground, the law of focus comes into play. The most powerful concept in marketing is owning a word in the prospect's mind. The most effective words are simple and benefit oriented such as "cavities" for Crest and "safety" for Volvo. Two companies cannot own the same word in the prospect's mind, therefore the key is getting others to use your word and become a leader.

Another strategy for getting into the mind of consumers is the law of candor. When you admit a negative, the prospect will give you a positive. For example, Listerine became very effective when they stated that their product was "the taste you hate twice a day." While marketing your product, you have to watch for the law of division. Over time, a category will divide and become two or more categories. Cars are a great example of this law, but timing is important and you can be too early to exploit a new category.

Moving farther into your project, you need to realize that marketing effects take place over an extended period of time. Donald Trump filing for bankruptcy is a great example of short-term success leading to long-term failures. Successful programs are not built on fads, they're built on trends. Fads are good for the short-term, but trends are better for the long-term. The

key to a long-term trend is to never totally satisfy the demand of your product or service. As your brand becomes successful, there's an irresistible pressure to extend the equity of the brand.

The authors state that " the most violated law in the book is the law of line extension. " Instead of spreading yourself thin over many products, it is better to be strong somewhere instead of weak everywhere. On the reverse side of this, you have to give up something in order to get something. Good things come to those who sacrifice. " If you want to be successful today, you should give something up. There are three things to sacrifice: product line, target market, and constant change. " Once your brand is established, success comes in the law of singularity.

In each situation, only one move will produce substantial results. In general, people tend to think that success is the result of many well executed smaller efforts. But in reality, according to the authors, history demonstrates that the only thing that works in marketing is a single, bold stroke. Unless you write your competitor's plans, you can't predict the future. A colossal error made by marketers is the failure to forecast competitor's reactions. There is no way of knowing for sure what your rivals will do, so it is better to be prepared with flexible contingency plans.

You can do that by paying close attention to trends but not letting it dictate decision making. Once your brand becomes successful, you need to keep the law of success in the back of your mind. Success often leads to arrogance, and arrogance to failure. The famous proverb tells us that " Pride goes before destruction and haughty spirit before fall. " Don't let egos take

control, stay objective. On the other hand, failure is to be expected and accepted. Admit when a mistake has been made and then make the necessary changes, even if it means cutting your losses.

Learn from your mistakes and continue to take calculated risks. No one progresses up the ladder without taking chances. The last law to be aware of is the law of hype. The situation is often the opposite of the way it appears in the press. You don't need hype when things are going well. Hype is just that - hype. The book ends with a chapter entitled " warnings". The authors caution readers that recommendations outlined in their book may not be appreciated by seasoned co-workers. In addition, it is important to keep in mind that this book is filled with the opinions of two people.

Nothing in the world is immutable; things will vary based on situation, time and resources. However, the authors provide a good guideline of how some ideas can work well when applied under right circumstances. This book teaches you how to avoid marketing mistakes that large notable corporations have made, and in turn provides you with the strategies successful companies have used. The basic take home message is that " Marketing is a game of warfare. It's a battle of ideas and perceptions not products or services. " The key to success in marketing seems to be perception, perception, perception!