

Introduction

Simon is running an air-conditioning business for all types of vehicles. His service is superb, and he enjoys numerous referrals from his satisfied customers.

However, Simon is often disappointed when potential customers call with the question: “How much just to re-gas?”

Simon is aware that people are then likely to call several of his competitors and go for the lowest cost. His chances of hearing from them again are small, so his strategy is to save time. He simply tells them the price and makes the conversation short. The typical exchange goes like this:

“How much just to re-gas?”

“X dollars.”

“Thank you, I’ll think about it.”

“Thank you. Bye-bye.”

This strategy does not win Simon many customers, but at least it does not take much of his time either. In this scenario the business that offers X minus \$10 gets the job.

Across the city, in a busy shopping mall, Emma is running a fashion shop. This is her second year in business. The money is OK, but not great.

The vast majority of people entering the shop leave without buying anything, even though Emma has tried *everything* - redecorating the window, bringing the prices down, jumping in with “Can I help you?” - but for all her efforts the effects have been only too modest.

Aaron was fast to secure the first few contracts for his industrial cleaning business, but lately things have been slow.

How on earth can you get people excited about industrial cleaners? It's a shame we cannot all be celebrities! Aaron is paying a small fortune for a half-page ad in yellow pages and weekly adverts in the papers. Alas, the results are just not there...

What to do, what to do?

If Simon, Emma and Aaron were running a big, billion-dollar corporation, they could address the problem with brute force and pay for the prime-time TV commercials, billboards in busy streets, full-page magazine adverts, and get a Hollywood celebrity to endorse their products.

However, you do not have this luxury if you're running a small business, or trying to get a fledgling company off the ground, when your marketing is running on near-empty budgets and the competitors are cashed-up, entrenched and unwilling to concede one inch of their territory.

When the odds are stacked against you and your funds are limited, you need a different approach: something that would get you on everyone's lips, give extraordinary returns, make people excited about you and your business, ensure you are memorable, and put you in the public eye.

Enter underdog marketing!

Let's go back to Simon's story. People are going through the effort of looking up his business and giving him a phone call. They are practically knocking on his door.

Simon has the capacity to give them the very service they require.

What is he doing to entice them to become his customers?

Nothing at all. Zilch. Nada...

...and it's such a waste. His potential customers never get to know how great his service is, and everything else being equal, can only make the decision based on cost.

But does Simon really want to compete on price? No, probably not. Having the lowest price means that you're operating with the lowest profit margins too. With the lowest margin it is hard to maintain quality, and you'd be very vulnerable to any further attacks on price.

Compete on quality, convenience and innovation, and ultimately reputation, not the price.

If your offer is the same as everyone else's, the only point of differentiation is going to be the price – and that is not the position you want to be in. So, when asked “How much just to re-gas?” Simon would do a lot better to provide an answer along the following lines:

“We will re-gas your air-conditioning AND do a free 10-point inspection of your system using our top-of-the-range equipment. This guarantees that your system is sealed properly. After that, if you need to re-gas within 12 months, we guarantee to do it for free. The cost is just X dollars and I have the time available at 2pm or at 3.30pm today. Which time is more convenient for you?”

If Simon does that, most of the callers would be happy to do business with him – guaranteed.

Here is what is different in this approach:

1. **The offer is full of added benefits.**
His competitors do not have them, making his offer unique.
2. **He is competing on quality, not price.**
Because of the quality and the uniqueness of the offer, it is hard to compare it with other businesses directly. Paying \$10 less to re-gas somewhere else suddenly does not sound like the best proposition.
3. **Strong guarantee.**
The strong guarantee to the caller promises the quality of the work.
4. **Clear next step.**
Having reassured the potential customer that the service not

only meets but exceeds their expectations, the decision is no longer whether to do the business with Simon or not, but whether to do it at 2pm or at 3.30pm.

So far so good. More customers. Better business. Right? Right!

But why stop there? Suppose Simon adds one little thing to his offer: “As a special bonus to thank you for doing business with us, you’ll also receive the booklet ***20 Things You Must Know to Avoid Being Cheated Next Time You Have Your Car Repaired.***”

A booklet like this does not cost much to produce, but it introduces a whole new ballgame: suddenly the rather mundane job of re-gassing the air-conditioning in your car is starting to sound like an *experience*.

Human curiosity is aroused. Who has never been cheated before?

There is an element of surprise. You bet the caller hadn’t expected that from a car air-conditioning service.

There is a promise of saving some good money later.

There is anticipation. Making a trip to the service station is less of a something you have to do, and more of a something you look forward to doing.

This also makes Simon a good, honest, likeable guy.

Experience, curiosity, surprise, money-saving, anticipation, likeability – well, guess what, these are some of the ‘hot buttons’ or mental triggers people respond to.

Last but not least, with the booklet in their hands, Simon’s customers will have something interesting to talk about to their friends, family and co-workers. More endorsements. More ‘buzz’.

What do you think is the likely effect of all this on Simon’s business? Does the word ‘snowball’ come to mind?

Let's re-visit busy Emma, our fashion-shop owner. Like many other businesses, she too relies on the location and the never-ending stream of accidental traffic to gain customers.

Only too many of them leave without doing business with her.

Suppose that Emma and her prospects knew each other a lot better: if she knew exactly what they wanted and valued, and if they knew that her shop had precisely what they wanted and valued – her business would be flourishing and she would have happy customers willing to promote her.

A good starting point might be to solicit the prospects' emails when they are about to leave the shop, in return for something valuable – a fashion magazine perhaps, or a fashion tips eBook.

Emma would then be able to let them know about fashion evenings, send them discount coupons, inform them about exclusive events, and announce new collections.

Let's not forget that communication is a two-way street. Through surveys, polls and email exchanges Emma would gain a true insight into the fashion expectations of her market, and be able to form an irresistible offer to more than match their needs.

Wouldn't you agree that adding the email component to her marketing mix might be the turning point in her business?

It is time to go back to Aaron, the owner of the industrial cleaning business, who is by now sprouting greasy hairs trying to think of a way to attract more customers.

A beautiful example of a joint-venture relationship between industrial cleaners and a chocolate factory is found in Mark Hughes' "*Buzz Marketing*".

What can industrial cleaners and a chocolate factory possibly have in common, you ask. Indeed, it is hard to think of another symbiotic relationship that would be less likely. And yet...

After cleaning an office in the evening, the cleaners would leave a chocolate sample with a greetings note on every desk. It was the first thing people would see when they entered the office in the morning.

Before long, people were talking about them, and when the media picked up on an unusual story, the business was speedily airlifted to the new level.

The best thing was that they got the samples for free, which was a great promotion for the factory too. It was an opportunity for the chocolate factory to let people know about them, try their yummy products, and order more.

Speaking of win-win situations, how many wins does this make? Let's see...

Win for the cleaners.

Win for the chocolate factory.

Win for the office workers.

Win for the media.

OK, if we were to continue we could call it a win for the media audience too because they got to be one interesting experience richer, and if you are particularly cynical, you could call it a win for the dental industry as well.

But the point we make emphatically is that you DO NOT NEED millions of dollars to have an exceptionally effective marketing in place, leading to a wildly successful business.

What you DO NEED is knowledge on how to do it.

And that's what *Underdog Marketing* is all about.

[Taken from the book "*Underdog Marketing*" by Dr Alex Davidovic and Penelope Herbert with the written permission of the authors.]