



## p-TIPS

## Giving them what they want (Simply better)

In *Simply Better: Winning and Keeping Customers by Delivering What Matters Most* (Harvard Business School Press, 2004), authors Patrick Barwise and Sean Meehan contend that customers rarely base choices on uniqueness. The *Simply Better* strategy relies on providing products/services that customers really want in the best way possible. They lay down six rules for achieving business success.

Rule 1) Think category benefits, not unique brand benefits. Colgate toothpaste's strength was its flavor but it was losing market share due to Crest's anticavity claims. In 1997, Colgate Total was launched, claiming to offer flavor, breath-freshening, whitening power, and dental health. Within four years, Colgate was the market leader with a 37% share.

Rule 2) Think simplicity, not sophistication. Shell, serving 25 million customers daily, chose to buck the trend of making service station operations more differentiated and sophisticated. Betting that motorists were mainly looking to refuel quickly at reasonable cost, it concentrated on delivering those basics, not on offering gourmet coffees and snacks. Sales increased by 10% and return on capital reached double digits.

Rule 3) Think inside, not outside, the box. Try redirecting creativity to learn how your customers make buying decisions and which current or future needs remain unmet.

Rule 4) Think opportunities, not threats. Kirin Beer had a 90% share of all lager sold in Japan, but it made the mistake of ignoring demographics. Younger drinkers with different lifestyles flocked to the much smaller Asahi Breweries' Super Dry beer. Within 10 years, Asahi had the number-one beer brand with 33% of the market.

Rule 5) For creative advertising, forget Rule 3. Korea's Daewoo Motors did this brilliantly in its UK launch, using humor (real vs. human guinea pigs to test-drive cars free for one year) and a simple message. It also overcame a recognition problem and positioned itself as a customer-centered company.

Rule 6) Think immersion, not submersion. Everyone, not just marketing and sales staff, should immerse themselves in the market instead of submersing themselves in paperwork. Hindustan Unilever is a shining example, requiring all new recruits to reside for six weeks in a remote village to understand the reality of customers' lives.