

# North American Management Briefs

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## You Should Know...

### Charity Impulse

An elderly Australian man donated a suitcase to the Salvation Army, only to be told by his wife that their life savings, of \$93,000, was sewn into the lining of the bag. Fortunately he recovered the money.

**The Point:** Sometimes you can hide things too well.

### Not Enough Time

Researchers at Carnegie Mellon calculated that if every American were to actually read every privacy policy on the websites they use, it would take 76, 8-hour days.

**The Point:** With so many communications majors these days, you would think we could do better.

### The Mosque Boom

The number of Mosques in the US increased by 74% in the past decade to 2,106 reports *USA Today*.

**The Point:** We need to better understand this fast growing religion and its theology.

### Feeling Bad, May Be Normal

A Duke University study of 1,420 children over 12 years revealed that four out of five show at least temporary forms of mental illness including depression, anxiety, addiction, compulsive disorder, etc.

**The Point:** Given the quantity of pharmaceuticals prescribed to treat these illnesses, this isn't surprising just unfortunate.

### June's Quote

*"To be busy is man's only happiness."*  
Mark Twain

## Marketing, The Principles

It is often useful to step back from the day-to-day crisis and opportunities and review the principles of one's profession.

Theodore Levitt, the renowned Chairman of the Marketing Department at Harvard University School of Business, long ago declared that all successful marketing programs focus on two activities, segmentation and differentiation. And in that order.

**Segmentation** is the act of dividing a group of individuals or organizations into discrete sub segments based on meaningful sort criteria. These criteria are different for a B2B versus a B2C marketer.

In B2B marketing the criteria may include the application for one's products or services, purchasing potential, credit/financial wherewithal, price sensitivity, pre- and post-sale services required, and others.

The purpose of segmentation is to identify and quantify those individuals most likely to value and purchase your product/service from those that have little interest or only a marginal application. In other words to better focus your sales and marketing resources.

Segmentation is always the first step in a successful marketing program.

**Differentiation** is the next step. Once you have segmented your market, you need to craft a meaningful value proposition. It should assist you in "communicating to your target market how your products/services are different from those of your competitors in a way that is valuable to them."

In B2B marketing this means statistics, quantified data, warranties, etc. Simply stating that one has the "highest quality" products or the "best reputation in the industry" or even is the "industry leader" is no longer sufficient to attract new customers or even to retain existing ones.

Some maintain their products are "commodities" and can't be differentiated. Mr. Levitt always rejected this assertion pointing out that some of the most "commodity" products including salt (sodium chloride), 89-octane gasoline, or a 16-oz bottle of water are indeed commodities yet in each of those product categories, some organizations garner higher selling prices and are very profitable while others are laggards and are unsuccessful.

Differentiating your product offering is hard work, but it is the key to success.

**The Point:** Segmenting your markets and differentiating your products is not glamorous. Indeed it is really hard work. It is, however, the keystone of every successful marketing program.

### Top 10 Universities

University	Score
Harvard University	96.1
CA Institute of Technology	96.0
MA Institute of Technology	95.6
Stanford University	94.3
Princeton University	94.2
University of Cambridge	91.2
University of Oxford	91.2
University of CA Berkeley	91.1
Imperial College London	90.6
Yale University	89.5

Source Times Higher Education World University Rankings 2010-11