## SILICON STRATEGIES MARKETING

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## **Visualizing Innovation, Value and Brand**

One reason <u>Crossing the Chasm</u> has sold millions of copies is that their simple illustration clearly tells a complex story.

This is the essence of visualization: to make something instantly obvious, as in the visual of a bus barreling down the street at you. The mind accepts and responds better to images than words, as Apple proved with their original "dancing silhouette" iPod advertisements.

It would be of great help to marketers and management leadership if we could visualize innovation and product marketing. Well, open your eyes – that's what we are about to do.

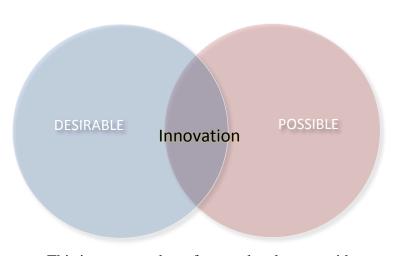
#### **Intersections**

All commerce occurs at intersections, mainly the intersection of needs/wants and availability. If you want the hot red head at the end of the bar, but she is not available, then no transaction will occur. Likewise, the intersections that define innovation, value and branding define commercial transactions above the commodity level.

#### The nature of innovation

"Innovation occurs at the intersection of the possible and desirable." ©

Nearly every market is saturated with products and features whelped from inventive technicians who see a gap and have the skill to fill it. But a market gap may have no customers waiting inside. Often useless "innovations" occur because founders believe that great desire exists within the market for their



creations when in fact there is little or none. This is one curse born from early adopter rapid revenues – a distortion of perspective about the entire market.

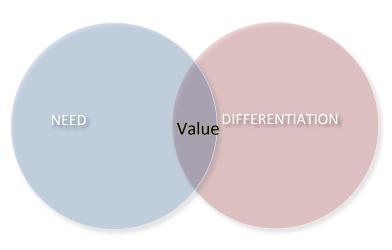
But back to the point. Real innovations – the type that mint billionaires – come from a specific intersection of what people desire and what you can build. What you can build is the part you already understand. What a large group of people mutually desire is rarely documented, measured, or even known by the buyers. Knowing market desires comes from research, intuition and occasionally stubbing your corporate toe. Google knew people wanted highly relevant searches because web users were loudly complaining about irrelevant search results. Apple was not entirely sure people wanted smart phones, but took a leap of faith backed by some research.

Most interesting though is how this very nature of innovation leads to ...

#### The nature of value

#### "Value is the intersection of need and differentiation." ©

"Need" is rather subjective, but yet very real to the buyer. A drunk doesn't "need" another drink, but he will argue the point ... loudly. A scotch snob doesn't "need" a rare and pricey bottle from Islay, but he will argue the point and certainly not consume the rotgut that the drunkard prefers. Each has a perceived need, and looks for a perceived differentiation. Our constantly inebriated friend prefers hooch with dangerously high alcohol content and low price points. Our



upper crust consumer looks for exotic, unique and conspicuously expensive booze.

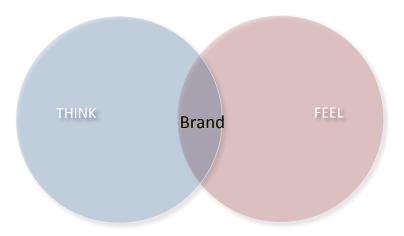
In either case there exists a need as well as products that are different from one another. If the only beverages available were for tea totalers or were too expensive to constantly consume, the drunk would dry-up. Likewise, if Old Crow was the only available whiskey, the elitist element would spend their excess wealth on more sports cars. There must always be a match between perceived need and what makes you different from everybody else. This is the value proposition.

As you might guess, innovation overlaps create value propositions.

#### The nature of brands

# "Branding is making the market think and feel what you want them to think and feel about you and your products." ©

Like value, there must be an intersection between what motivates buyers, but also between their functional and emotional motivations. If you ever watch a functionally driven husband and an emotionally driven wife argue about what car to buy, you can see where an automotive brand failed to bridge both halves of both brains.



Indeed, branding is the trickiest of

the three components we are discussing today because it encompasses how people think and feel while encapsulating innovation and value intersections. This is where some companies stumble. They may have truly innovated a product and created unique value, then failed to get their innovative value into the skulls and hearts of buyers.

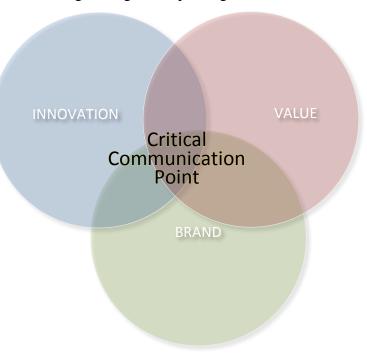
### The hellish trinity and marketing's role

Visualizing innovation, value and brand interaction is the point of this paper. Knowing how the parts combine to create compelling promotions of new products is what allows some products to skyrocket revenues and crush competitors. Knowing, seeing and exploiting the intersection is

where marketing is involved and where marketing too often fails.

Innovation: Inbound marketing (the old school use of the word) is about discovery. We interview people, hold focus groups and survey the masses in order to discover what people want even when they don't know what they want. Engineering will tell you what isn't possible, but more often than not they will find a way to create what is desired. First, find the desired.

**Value:** Assuring buyer's expected outcomes are met by product design is marketing's mission (hence why we write MRDs). But



marketing needs to articulate the perceived value before it is created. This includes describing how people want to *feel* about product outcomes. Fancy cars are about more than automotive engineering and manufacturing specs. People want to feel powerful, rich, and hip. These are emotional outcomes and are as important as functional ones. But marketing must also prove that enough people have the need to make creating a product worthwhile.

**Brand:** Communicating buyers' deepest desires in terms of a product or company creates instant recognition of a fulfilled need. It is instant recognition of their own desires that motivates buying behavior. Delivering innovative value is not enough – you have to communicate your unique value in the same terms that the buyer perceives your alleged value and its unique worth.

Guy Smith heads Silicon Strategies Marketing, a marketing consultancy devoted to helping companies dominate their markets. He has consulted with firms in such diverse fields as high-availability software, interactive television, language services, energy risk management, wireless messaging middleware, pure e-commerce plays, and Collaborative Software Development suites. Smith focuses on guiding his clients through the rigors of developing precise market strategies and educating his clients on both the theory and tactical necessities of their strategic implementations. His marketing expertise is matched by more that 20 years as a technologist.