

The Marketing Hits' Formula

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From time to time the marketing world is stunned by huge, quick, unpredictable and seemingly inexplicable successes. These hits are products or services, entertainment locales or vacation spots, shopping malls or specialty stores that enjoy a puzzling immediate popularity. There are unknowns that become hot celebrities, there are events, festivals or concerts that capture the masses, real estate development projects that evoke huge demand, or styles that become trendy. In nearly all cases, there are also new brands that are immediately adopted by the target population. For example, Harry Potter or The Da Vinci Code, Apple's iPod and the Blogs, the Hamptons in Long Island New York, Toyota's Scion brand, the Crest electric toothbrush and many more examples.

There are cases in which the reasons for product's success are obvious. The success of Viagra – a product that has solved a serious problem for millions of men worldwide - is hardly surprising. Even the success of vacation resorts in Turkey - that have made accessible once a luxurious vacation style to a new middle class segment – is not a mystery. In contrast, in other cases the success of a specific product, place or person over the competition remains unclear. We have all observed the phenomenon of a packed and trendy café surrounded by apparently equally attractive but relatively empty coffee bars.

Research of marketing hits is not a new thing. Certain categories have accumulated much knowledge enabling planning and launching of hits with a practical probability of success. In the leisure and entertainment segment, companies such as Disney, Warner, HBO, and others have demonstrated such consistent capabilities in theater, television, music, toys, electronic games, and more. A similar ability has been demonstrated in the fashion industry, fragrances, cosmetics and retail. On the whole, secrets are kept closely. Many have tried to crack the formula of marketing hits successes.

Short sweet success

In the last few years, more and more sectors have become as high paced and as changeable as the fashion industry. The importance of hits for the success of companies has risen in sectors such as the following: cars, food, grooming, hotels, construction, entertainment electronics, software, and the list goes on. It even includes unexpected categories such as financial services.

Personally, I have begun my work in the marketing hits field in the latter half of the 1990's. I identified a radical change in consumer behavior and a dramatic rise in a new motivation that I coined "The Fear of Missing Out

- FoMO". In 2001, I developed a standardized questionnaire that measured FoMO and discovered it motivates at different levels about 70% of the consumers in developed countries. Of the 70%, half possess this fear at a high level. In extremely concise terms, FoMO turns consumers into serial seekers and adopters of the new (while inevitably forsaking the not-so-new). So, one consequence among many is that FoMO nibbles at customers' loyalty to brands.

After realizing that our efforts to preserve customers' loyalty are, more often than not, pathetic and futile, I conclude that we now need new tools to deal with a new consumer reality that is here to stay. Therefore, I have developed a comprehensive 'technology' of rules and tools for developing, launching and managing profitably, "Short-Term Brands (STB)". STB are planned short term successes. During this development process, I did an extensive, in depth analysis of over 150 marketing hits in various, diverse categories. In parallel, I have studied the accumulated experience in sectors that have learned how to methodically develop and generate such hits. In mid 2004, the results culminated in the "Marketing Hits' Formula" which is now a part of the STB armory.

The Marketing Hits' Formula and its implementation method allows for marketing innovation that will be accepted with immediate enthusiasm by the target consumers and will spread virally. This formula has two major advantages: First, it is applicable to almost all categories. Second, it does not necessitate enormous marketing and advertising budgets (the most common way of attempting to instigate success within a short time frame).

Success has its Rules

The formula postulates that each marketing hit comprises of the following four elements:

1. Marketing hits are usually not large innovative leaps. The new product or service should be based in as much as 80% on a format that has been successful numerous times in the same category. The format assures familiarity, promises consumer satisfaction and minimizes learning / adapting efforts on the part of the consumer.
2. The product or service should be innovative in approximately 20%. This 20% provides the new experience, the uniqueness, or the additional benefit or any other reason to switch from the current, or to try. At the very least the innovative part will offer the consumer a feeling of novelty, freshness, or "up-to-datedness". This novelty should uphold the following two rules (3 and 4).
3. The product's novelty will address one of the "unsatisfiable" or "regenerating" needs (explanation to come).
4. The product should include an element of "Cool", "WOW", and/or a "Twist" that creates a "viral motive", or in other words, will supply

buyers with a good reason to tell other potential buyers about the product. Such viral element is motivating to spread the word around because the spreader has a social benefit to gain by doing so: attention from others, interest, appreciation and an image of being "In", up-to-date or even a trend setter.

- COOL means 'right', fashionable and utterly current, perhaps even a bit edgy.
- WOW means arousing awe and excitement by amazing design or by an outstanding and an unexpected level of performance.
- A TWIST means something unusual in a surprising, intriguing and often amusing manner.

Hits are planned and managed short-lived successes (the duration of 'short' varies among categories) that are replaced by new hits. It is of utmost importance to realize that hits satisfy two types of human needs not catered for by long term established brands:

"Unsatisfiable needs" – these are wishes that cannot be realized (not to a full extent), however, human beings will relentlessly attempt to fulfill them, while deceiving themselves that it is possible to do so. These attempts, fueled by fantasies, enable consumer to remain optimistic and hopeful. Amongst the unsatisfiable are the needs for eternal youth, irresistible sex appeal, grandness, omnipotence, domination, an ever exciting life, and adventure (without investing the effort, taking the risk or paying the price). It is understandable that brands supporting such fantasies are bound to disappoint eventually and must be replaced by new solutions.

"Regenerating needs" - needs that require ceaselessly new fulfillments. Some of them are regenerating psychological needs, such as the need for attention from the environment, the need to renew oneself, to remain up-to-date, to discover, and to be tempted or seduced. There are also regenerating social needs including the need to signal involvement, belonging and openness. Finally, there are experiential regenerating needs, such that please the senses and the emotions. As is well known, our system becomes accustomed to stimuli and in order to keep up the freshness of experience we are in constant need of new scents, tastes, tones, and textures to allow for arousal of our senses.

Success has its tools

Applying the Marketing Hits' Formula requires certain tools. A major one is the Fore-Search consumer research method which I will describe briefly later on. Firstly, this method assists both the precise identification of the components of the "format that has been proven successful in the past"

mentioned above. Then, it enables the pre-detection of elements that will be perceived by the target consumers as being Cool, WOW or a Twist.

The hit development process includes the following four stages:

1. The first stage consists of choosing the appropriate timing for launching the hit. There are three major types of the 'right time':
 - The first is a ripe replacement cycle, i.e. a widespread feeling amongst the target group that the current hit brand has lost its newness and intensity appeal.
 - The second is seasonality which is relevant for certain categories from children's toys to beachwear.
 - The third is "situational timing", that results from some change in circumstances, market and competition dynamics or consumer trends.

2. The second stage involves scanning for hit opportunities, mapping them then methodically evaluating them. To this end, my partners and myself use a system called "O-Scan (Opportunity Scan)" which enables conducting a methodical and comprehensive search in six directions considered to be the most fruitful – based on our extensive experience:
 - Consumer research focused on identifying potential future desires of consumers (totally unimagined by them at present). We use a combination of several methods including trend analysis, cool hunting, Consumption Leaders' Research (consumption leaders must be distinguished from "innovators" and "early adopters"), scenarios and simulations and mainly our Fore Search qualitative research method that allows diagnosis and reverse analysis of current wants in order to gain insight into potential ones. Using these methods we follow the process of hits' succession, we look for evolving tastes and preferences as well as for emerging new social groups and market segments.
 - Competition analysis for identifying blind spots and weaknesses of competitors (even momentary), and for pinpointing ready to be broken implicit rules of the game – that create opportunities.
 - Search for underexploited "treasures" within the company. For example: infrastructure, technological capabilities, expertise, social/business network connections etc', that can serve as the basis for future opportunity.
 - Examination of the brand and brand architecture in order to scrutinize the options to launch the hit as a 'stand alone', a 'series' brand, a foreground brand with an established long-term background brand or as a 'satellite' to a long term 'star' brand.

- A worldwide lookup for relevant successful models (even in other categories) that can be adapted and applied or at least serve as inspiration.
 - Inventive thinking sessions methodically applied for generating possibilities that create opportunities.
3. Developing a concept surrounding the new hit based on the Marketing Hits' Formula described earlier. The concept must pass three complementing tests: the profitable business model test, the competitive advantage test, and the attractive brand-ability test.
 4. Developing launching plan based using all the tools of the Short-Term Brands armory.

We put the Marketing Hits' Formula to practice during the last half of 2004 and already gained experience in such diverse categories as pharmaceuticals, cigarettes, food products and TV shows. Let me give you one recent example. A few months back we have utilized the formula to assist an Eastern European client in developing a new female contraceptive product. This in-uterus device releases progesterone at a low dose and is effective for a full menstrual cycle. During our work together, the client's marketing team came to realize that they may be manufacturing a medical product but their customer is actually purchasing a product that directly influences her sexual pleasure. The new product may propose some decrease in side effects compared with previous products however, we had made a decision to concentrate on developing the product as a marketing hit that crosses into sex life improvement accessories. The viral component chosen here was a multi-color, glow-in-the-dark feature. In addition, the device's package would include (in addition to the necessary components required according to health regulations) Kama Sutra style cards depicting pleasurable sexual positions. The product launch is expected in the near future, and if I were to base my hunch on the extensive research findings from a comprehensive market study – we have a sure hit on our hands.

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