



Strategic Advertising: Are You Putting Lipstick on a Pig?

If you try to dress up an under delivered or subpar product or service (the pig) with advertising (the lipstick), once the makeup wears off, your customers are still kissing a pig—and they'll know it. No kind or amount of advertising can disguise a product or service that fails to deliver the features and benefits promised. In fact, hard-hitting advertising hastens the demise of an inferior product or service by quickly attracting and turning off customers whose anticipation and expectations were unrealistically raised and then dashed.

Choose a focus

A study of how businesses strategically lead their respective markets as reported in the *Harvard Business Review* showed that the clue to marketplace leadership is consistently outperforming your competitors in *one* of three key customer purchasing criteria:

- Price
- Service
- State-of-the-art (latest, greatest) performance

While all three criteria play a role in any product or service delivery, only one can strategically lead, rendering the other two subservient.

So, if you determine that leadership in your market requires delivering **the lowest possible price** for your product or service compared to your direct competitors, then you must operate lean, which precludes the costs associated with super service or heavy investment in research and development to provide state-of-the-art performance (think Costco).

If leadership in your market requires consistently delivering **superior service** compared to your direct competitors (ala Nordstrom's), then that precludes competing at the lowest customer price because you must recover the higher service costs with higher prices.

If **state-of-the-art or the latest-and-greatest product performance** is your marketing strategy (Apple Computer, for example), then it's extremely important that you beat competitors to the finish line with accelerated product performance—and that means expensive R&D and then capturing your costs with relatively higher prices and relatively less customer service.

In fact, in the latter two cases, consumers are inclined to pay a premium provided they get what they pay for.

Are your customers perfectly clear on what you deliver?

Find out what your customers value the most. If it's the lowest price, are you operating as inexpensively as possible in order to pass along the savings to your customers? Are you relentless in cutting expenses and consistently lowering operating costs?

If it's service, are your people trained for and able to deliver, with a great attitude, almost anything the customer requests as it relates to your product or service? Do you constantly check for customer satisfaction and reward employees who deliver exceptional service?

If it's state-of-the-art products or services, are you way above average in R&D investment? Do you encourage and reward employee innovation? Do you anticipate customer wants and needs by way of extensive and ongoing consumer research?

If you do all that, then your product or service has integrity and you can bring on the makeup artist and apply that lipstick with confidence.