

GET MOTIVATED!

SUCCESS SUMMARIES

VOLUME 75, NUMBER 8

FOR LEADERS AND ACHIEVERS WHO WANT THE FACTS...FAST!

THE PURPLE COW

BY SETH GODIN

INTRODUCTION



Power Points from Peter Lowe

"If it isn't remarkable, then it's invisible." That not only sums up this remarkable book, it also encapsulates one of my core values. Back in 1981, I went away by myself for a New Year's weekend, setting goals for my life. As I prayed, I had the strong sense that I was supposed to start my own seminar company. It was crazy. It was irrational. Everyone I knew who was in the seminar business was 50 or 60 years old—they had more years of experience than I had years of life.

So I decided to reinvent the business seminar, to involve speakers not just from business, but the successful and famous from *all* walks of life. As a result, we created a *remarkable* business seminar—the largest, most popular on earth—and I get to interact with these incredible leaders. Now my point is not to single out myself—my point is that if I did it, *you can do it, too*. There's a dream inside of you, an idea, an invention, an approach—*something remarkable*. Dig to find it, dare to express it, and *don't delay*.

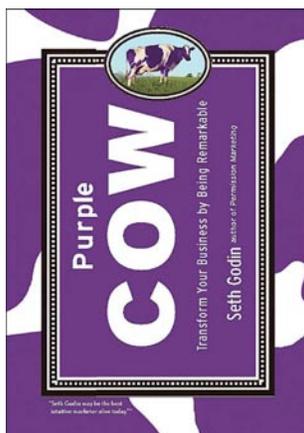
Enthusiastically,

Peter Lowe

Peter Lowe is Founder & CEO of Get Motivated Seminars

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Transform Your Business by Being Remarkable

THE NET NET

Preview

How do ideas spread? Why do some charities, movies, architects, politicians, potato chips and cars succeed, while others (just as good apparently) fade away?

Purple Cow is a book about how challenging it is to get your ideas to spread—and how you can do it successfully.

This article is an idea that I hope will spread. After you read it (if you like it!) go ahead and forward it to anyone you think might benefit from the lessons here. It's small enough to just email it to someone. Or post it, print it ... I don't care, so long as it spreads!

About the Author

Seth Godin is a bestselling author, entrepreneur and agent of change.

Godin is author of seven books that have been bestsellers around the world and changed the way people think about marketing, change and work. *Permission Marketing* was an Amazon.com Top 100 bestseller for a year, a Fortune Best Business Book and it spent four months on the Business Week bestseller list. It also appeared on the New York Times business book bestseller list.

Unleashing the Ideavirus is the most popular ebook ever written. More than 1,000,000 people downloaded the digital version of this book about how ideas spread. Featured in USA Today, The New York Times, The Industry Standard and Wired Online, *Ideavirus* hit #4 on the Amazon Japan bestseller list, and #5 in the USA.

Survival is Not Enough has made bestseller lists in Germany, the UK and the United States. With a foreword by Charles Darwin, this breakthrough book redefines what change means to anyone who works for a living. Tom Peters called it a, "landmark." The book was first excerpted in *Fast Company*, where Godin is a contributing editor.

His latest book is called *Small is the New Big*.

Seth is a renowned speaker as well. He was recently chosen as one of 21 Speakers for the Next Century by *Successful Meetings* and is consistently rated among the very best speakers by the audiences he addresses.

Seth was founder and CEO of Yoyodyne, the industry's leading interactive direct marketing company, which Yahoo! acquired in late 1998.



THE PURPLE COW

THE COMPLETE SUMMARY

BY SETH GODIN

Key Ideas

When was the last time you noticed a cow? Saw a cow on the side of the road, pulled over and gawked... Not likely. Cows, after you've seen them for a while, are boring. They may be well-bred cows, Six Sigma cows, cows lit by a beautiful light, but they are still boring. A Purple Cow, though: Now, that would really stand out. The essence of the Purple Cow — the reason it would shine among a crowd of perfectly competent, even undeniably excellent cows — is that it would be remarkable. Something remarkable is worth talking about, worth paying attention to. Boring stuff quickly becomes invisible.

The world is full of boring stuff—brown cows—which is why so few people pay attention. Remarkable marketing is the art of building things worth noticing right into your product or service. Not just slapping on the marketing function as a last-minute add-on, but also understanding from the outset that if your offering itself isn't remarkable, then it's invisible—no matter how much you spend on well-crafted advertising.

This is an essay about what it takes to create and sell something remarkable. It is a manifesto for anyone who wants to make a difference at their organization by helping create products and services that are worth spreading in the first place. Go ahead and be original, because it's the people passion, guts, and daring that will win. Not just because going through life with passion and guts beats the alternative (which it does), but also because it's the only way to be successful. Today, the one sure way to fail is to be boring. Your one chance for success is to be remarkable.

Marketing makes no sense. I mean, it appears that there are no rules that always work. What could the Four Seasons and Motel 6 possibly have in common? Other than the fact that both companies have experienced extraordinary success and growth, they couldn't be more different. Or Neiman Marcus and Wal-Mart, both growing during the same decade? Or Nokia (bringing out new hardware every 30 days or so) and Nintendo (marketing the same Game Boy for 14 years in a row)? In no other field do we find such diverse examples of success.

It's like trying to drive looking in the rearview mirror. Sure, those things worked. But do they help us predict what will work tomorrow? The thing that all of those companies have in common is that they have nothing in common. They are outliers. They're on the fringes. Super fast or supers low. Very exclusive or very cheap. Extremely big or extremely small.

The reason it's so hard to follow the leader is this: The leader is the leader precisely because he did something remarkable. And that remarkable thing is now taken — so it's no longer remarkable when you decide to do it.

I'm not talking just about soap and cereal here. I'm talking about marketing any idea—whether it's a political cause or an architectural practice. In each case, if it spreads, you win.

The Sad Truth About Marketing Just About Anything

Forty years ago, Ron Simek, owner of the Tombstone Tap (named for a nearby cemetery) in Medford, Wisconsin, decided to offer a frozen version of his pizza to his customers. It caught on, and before long, Tombstone Pizza was dominating your grocer's freezer. Kraft eventually bought the brand, advertised it like crazy, and made serious dough. This was a great American success story: Invent a good product that everyone wants, advertise it to the masses, earn billions.

That strategy didn't just work for pizza. It worked for most everything in your house, including aspirin. Imagine how much fun it must have been to be the first person to market aspirin. Here's a product that just about every person on earth needed and wanted. A product that was inexpensive, easy to try, and promised huge immediate benefits. Obviously, it was a big hit.

Today, a quick visit to the drugstore turns up lots of aspirin and aspirin-like products: Advil, Aleve, Alka-Seltzer Morning Relief, Anacin, Ascriptin, Aspergum, Bayer, Bayer Children's, Bayer Regimen, Bayer Women's, BC Powder, Bufferin, Cope, Ecotrin, Excedrin Extra Strength, Goody's, Motrin, Nuprin, St. Joseph, Tylenol,

and, of course, Vanquish. Within each of those brands, there are variations, sizes, and generics that add up to more than 100 different products to choose from.

Think it's still easy to be an analgesics marketer today? How about a minister or a dog groomer? If you developed a new kind of pain reliever, even one that was a little bit better than the ones that I just listed, what would you do? The obvious answer, if you've got money and you believe in your product, is to spend everything you've got to buy tons of national TV and print advertising.

There are a few problems that you'll face, though. First, you need people who want to buy a pain reliever. While it's a huge market, it's not for everyone. Once you find people who buy pain relievers, then you need people who want to buy a new kind of pain reliever. After all, plenty of people want the "original" kind, the kind they grew up with. Finally, you need to find the peo-

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ple who are willing to listen to what you have to say about your new pain reliever. The vast majority of folks are just too busy and will ignore you, regardless of how many ads you buy. So you just went from an audience of everyone to an audience a fraction of that size. Not only are these folks hard to find, they're picky as well.

Being first in the frozen-pizza category was a good idea. Being first in pain relievers was an even better idea. Alas, they're both taken. Which brings me to the sad truth about marketing just about anything, whether it's a product or a service, whether it's marketed to consumers or corporations: Most people can't buy your product. Either they don't have the money, they don't have the time, or they don't want it.

And those are serious problems. An audience that doesn't have the money to buy what you're selling at the price you need to sell it for is not a market. An audience that doesn't have the time to listen to and understand your pitch treats you as if you and your product were invisible. And an audience that takes the time to hear your pitch and decides that they don't want it . . . well, you're not going to get very far.

The old rule was this: Create safe products and combine them with great marketing. Average products for average people. That's broken. The new rule is: Create remarkable products that the right people seek out.

Sam Adams beer was remarkable, and it captured a huge slice of business from Budweiser. Hard Manufacturing introduced a product that costs 10 times the average (the \$9,945 Doernbecher crib) and opened up an entirely new segment of the hospital-crib market. The electric piano let Yamaha steal an increasingly larger share of the traditional piano market away from the entrenched leaders. Vanguard's remarkably low-cost mutual funds continue to whale away at Fidelity's market dominance. Bic lost tons of market share to Japanese competitors that had developed pens that were remarkably fun to write with, just as Bic had stolen the market away from fountain pens a generation or two earlier.

The more intransigent your market, the more crowded the marketplace, the busier your customers, the more you need a Purple Cow. Half-measures will fail. Overhauling the product with dramatic improvements in things that the right customers care about, on the other hand, can have an enormous payoff.

Why There Are So Few Purple Cows

If being a Purple Cow is such an effective way to break through the clutter, why doesn't everyone do it? One reason is that people think the opposite of remarkable is "bad" or "poorly done." They're wrong. Not many companies sell things today that are flat-out lousy. Most sell things that are good enough. That's why the opposite of remarkable is "very good." Very good is an everyday occurrence, hardly worth mentioning — certainly not the basis of breakthrough success. Are you making very good stuff? How fast can you stop?

Some people would like you to believe that there are too few great ideas, that their product or their industry or their company simply can't support a great idea. That, of course, is absolute nonsense. Another reason the Purple Cow is so rare is because people are so afraid.

If you're remarkable, then it's likely that some people won't like you. That's part of the definition of remarkable. Nobody gets unanimous praise — ever. The best the timid can hope for is to be unnoticed. Criticism comes to those who stand out.

Playing it safe. Following the rules. They seem like the best ways to avoid failure. Alas, that pattern is awfully dangerous. The current marketing

"rules" will ultimately lead to failure. In a crowded marketplace, fitting in is failing. In a busy marketplace, not standing out is the same as being invisible.

So it seems that we face two choices: Either be invisible, uncriticized, anonymous, and safe or take a chance at true greatness, uniqueness, and the Purple Cow. The point is simple, but it bears repeating: Boring always leads to failure. Boring is always the riskiest strategy. Smart businesspeople realize this and work to minimize (but not eliminate) the risk from the process. They know that sometimes it's not going to work, but they accept the fact that that's okay.

Why It Pays (Big) to Be a Purple Cow

As the ability to be remarkable continues to demonstrate its value in the marketplace, the rewards that follow the Purple Cow increase. Whether you develop a new insurance policy, make a hit record, or write a groundbreaking book, the money and satisfaction that follow are extraordinary. In exchange for taking the risk, creators of a Purple Cow get a huge upside when they get it right.

Even better, you don't have to be remarkable all the time to enjoy the upside. Starbucks was remarkable a few years ago. Now they're boring. But that burst of innovation and insight has allowed them to expand to thousands of stores around the world. Compare that growth in assets to Maxwell House. Ten years ago, all of the brand value in coffee resided with them, not with Starbucks. But Maxwell House played it safe (they thought), and now they remain stuck with not much more than they had a decade ago.

Once you've created something remarkable, the challenge is to do two things simultaneously: One, milk the Purple Cow for everything it's worth. Figure out how to extend it and profit from it for as long as possible. Two, build an environment where you are likely to invent an entirely new Purple Cow in time to replace the first one when its benefits inevitably trail off.

These are contradictory goals. The creator of a Purple Cow enjoys the profits, accolades, and feeling of omniscience that come with a success. None of those outcomes accompany a failed attempt at a new Cow. Thus, the tempting thing to do is to coast. Take no chances. Take profits. Fail to reinvest.

AOL, Marriott, Marvel Comics, Palm, Yahoo — the list goes on and on. Each company had a breakthrough, built an empire around it, and then failed to take another risk. It used to be easy to coast for a long time after a few remarkable successes. Disney coasted for decades. Milton Berle did too. It's too easy to decide to sit out the next round, rationalizing that you're spending the time and energy to build on what you've got instead of investing in the future. So here's one simple, tangible suggestion. Create two teams: the inventors and the milkers. Put them in separate buildings. Hold a formal ceremony when you move a product from one group to the other. Celebrate them both, and rotate people around.

What It Means to Be a Marketer Today

If the Purple Cow is now one of the Ps of marketing, it has a series of big implications for the enterprise. In fact, it changes the definition of marketing. It used to be that engineering invented, manufacturing built, marketing marketed, sales sold, and the president managed the whole shebang. Marketing, better called "advertising," was about communicating the values of a product after it had been developed and manufactured.

That's clearly not a valid strategy in a world where product attributes (everything from service to design) are now at the heart of what it means to be a marketer. Marketing is the act of inventing the product. The effort of

designing it. The craft of producing it. The art of pricing it. The technique of selling it. How can a Purple Cow company not be run by a marketer?

Companies that create Purple Cows, such as JetBlue Airways, Hasbro, Poland Spring, and Starbucks, have to be run by marketers. Turns out that the CEO of JetBlue made a critical decision on day one: He put the head of marketing in charge of product design and training as well. It shows. JetBlue sells a time-sensitive commodity just like American Airlines does, but somehow it manages to make a profit doing it. All of these companies are marketers at their very core.

The geniuses who managed to invent 1-800-COLLECT are true marketers. They didn't figure out how to market an existing service. Instead, the marketing is built into the product — from the easy-to-remember phone number to the very idea that MCI could steal the collect-call business from

the pay-phone companies.

But isn't the same idea true for a local restaurant, a grinding-wheel company, and Citibank? In a world where anything we need is good enough and where just about all of the profit comes from the Purple Cow, we must all be marketers.

You've got a chance to reinvent who you are and what you do. Your company can reenergize itself around the idea of involving designers in marketing and marketers in design. You can stop fighting slow growth with mind-numbing grunt work and start investing in insight and innovation instead. If a company is failing, it's the fault of the most senior management, and the problem is probably this: They are just running a company, not marketing a product. And today, that's a remarkably ineffective way to compete.

10 WAYS TO RAISE A PURPLE COW

1. Differentiate your customers. Find the group that's most profitable. Find the group that's most likely to influence other customers. Figure out how to develop for, advertise to, or reward either group. Ignore the rest. Cater to the customers you would choose if you would choose your customers.
2. If you could pick one undeserved niche to target (and to dominate), what would it be? Why not launch a product to compete with your own that does nothing but appeal to that market?
3. Create two teams: the investors and the milkers. Put them in separate buildings. Hold a formal ceremony when you move a product from one group to the other. Celebrate them both, and rotate people around.
4. Do you have the email addresses of the 20% of your customer base that loves what you do? If not, start getting them. If you do, what could you make for them that would be super special?
5. Remarkable isn't always about changing the biggest machine in your factory. It can be the way you answer the phone, launch a new brand, or price a revision to your software. Getting in the habit of doing the "unsafe" thing every time you have the opportunity is the best way to see what's working and what's not

10 WAYS TO RAISE A PURPLE COW

6. Explore the limits. What if you're the cheapest, the fastest, the slowest, the hottest, the coldest, the easiest, the most efficient, the loudest, the most hated, the copycat, the outsider, the hardest, the oldest, the newest, or just the most! If there's a limit, you should (must) test it.
7. Think small. One vestige of the TV-industrial complex is a need to think mass. If it doesn't appeal to everyone, the thinking goes, it's not worth it. No longer. Think of the smallest conceivable market and describe a product that overwhelms it with its remarkable nature. Go from there.
8. Find things that are "just not done" in your industry, and then go ahead and do them. For example, JetBlue Airways almost instituted a dress code—for its passengers! The company is still playing with the gift certificates. A book publisher could put a book on sale for a certain period of time. Stew Leonard's took the strawberries out of the little green plastic cages and let the customers pick their own. Sales doubled.
9. Ask, "Why not?" Almost everything you don't do has no good reason for it. Almost everything you don't do is the result of fear or inertia or a historical lack of someone asking, "Why not?"
10. What would happen if you simply told the truth inside your company and to your customers?

