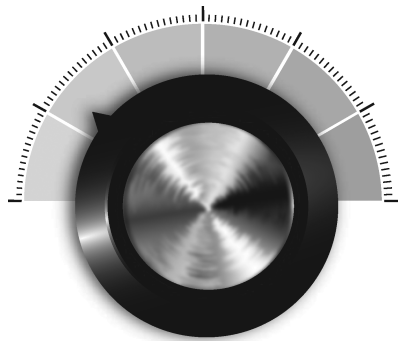


Tuned In

Uncover the Extraordinary
Opportunities That Lead to
Business Breakthroughs



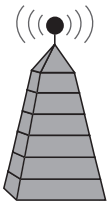
**Craig Stull, Phil Myers, and
David Meerman Scott**



WILEY

John Wiley & Sons, Inc.

Uncover the Extraordinary Opportunities That Lead to Business Breakthroughs



res • o • na • tor [rez-uh-ney-ter]

—noun

1. the perfect solution to a specific problem.
2. a product or service so powerful it sells itself.
3. an offering that connects to what your market values most.
4. an idea that people immediately understand has value to them.

Tuned In shows you six simple, yet powerful steps to creating products, services, or ideas that resonate. Getting tuned in is a process anyone can master and no business can afford to ignore.

Praise for *Tuned In*

“When was the last time you bought a product and said, ‘I’ve got to tell my friends!’? This book will change the way you look at success and failure in the marketplace. When companies think they know what their customers need, it invariably ends badly. But for those who spend the time to really understand the problems potential customers have, success often awaits. I recommend *Tuned In* to anyone who is looking for a guidebook on how to uncover the obvious opportunities that others do not see.”

—Rob McGovern, *Founder of CareerBuilder.com,
Chairman and CEO, Jobfox.com*

“Wow. I learned something on every page. I’m convinced the *Tuned In* strategy will work for anyone who has a breakthrough product, service, company, or cause. The authors make the compelling argument that most marketers focus on traditional and ineffective steps to reach the customer. But success in the marketplace demands that common myths be exposed and replaced with new thinking on how to create and pitch products and services. As a communications coach, I will use these concepts with my clients to help them become ‘resonators’ who stand out from their competitors.”

—Carmine Gallo, *Communications Coach,
author of Fire Them Up!*

“*Tuned In* is the perfect playbook for aspiring corporate and life champions. It presents an unshakeable foundation from which to build greatness. The principles of this great work serve as a compass for keeping our ministry focused as we move from season to season on this great journey.

—David L. Cook, *Founder Links of Utopia Ministries
and author of Golf’s Sacred Journey*

“You can keep guessing what will lead to your big business breakthroughs, or . . . you can read this book, tune in, and turn on extraordinary results. Highly recommended.”

—*Michael Port, Author of Book Yourself Solid
and Beyond Booked Solid*

“The most important thing a CEO has to do is make sure his or her company is and stays tuned in. There are ongoing challenges with people, culture, strategy, and execution, but the real difference maker is consistently producing products and services the market loves. This book provides a simple process all CEO’s should adopt to help make sure their teams are focused on the most important things that drive success.”

—*Steve Bennett, Retired CEO of Intuit*

“This is a unique and fresh approach to how fortunes are made today.”

—*Rick Page, Author of the #1 sales bestseller,
Hope Is Not a Strategy*

“Far too many product and marketing managers go about their daily work without understanding the fundamentals of creating a market-driven business. *Tuned In* offers a proven methodology in an easy-to-understand format filled with real-world examples we all can relate to. It’s like a marketing cookbook, but one that instantly makes us experts.”

—*Nilofer Merchant, CEO, Rubicon Consulting*

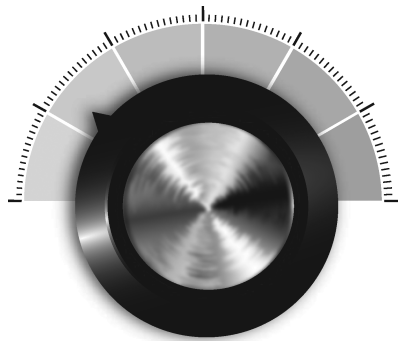
“The music industry has been completely ‘tuned out,’ not only to their customers, but even more so to the artists whom they claim to represent. For the artists that we represent, and the fans (customers) that we want to reach, *Tuned In* is a great reminder of what so many established stars, and those on their way, already know; ‘Find out what your fans want, and then find a way to give it to them.’”

—*Jody Nachtigal, Personal Manager at Arcadia Group Management and
Co-President of record label, Kissing Booth Music*

Tuned In

Tuned In

Uncover the Extraordinary
Opportunities That Lead to
Business Breakthroughs



**Craig Stull, Phil Myers, and
David Meerman Scott**



WILEY

John Wiley & Sons, Inc.

Copyright © 2008 by Pragmatic Marketing, Inc. All rights reserved

Published by John Wiley & Sons, Inc., Hoboken, New Jersey

Published simultaneously in Canada

No part of this publication may be reproduced, stored in a retrieval system, or transmitted in any form or by any means, electronic, mechanical, photocopying, recording, scanning, or otherwise, except as permitted under Section 107 or 108 of the 1976 United States Copyright Act, without either the prior written permission of the Publisher, or authorization through payment of the appropriate per-copy fee to the Copyright Clearance Center, Inc., 222 Rosewood Drive, Danvers, MA 01923, (978) 750-8400, fax (978) 646-8600, or on the web at www.copyright.com. Requests to the Publisher for permission should be addressed to the Permissions Department, John Wiley & Sons, Inc., 111 River Street, Hoboken, NJ 07030, (201) 748-6011, fax (201) 748-6008, or online at <http://www.wiley.com/go/permissions>.

Limit of Liability/Disclaimer of Warranty: While the publisher and author have used their best efforts in preparing this book, they make no representations or warranties with respect to the accuracy or completeness of the contents of this book and specifically disclaim any implied warranties of merchantability or fitness for a particular purpose. No warranty may be created or extended by sales representatives or written sales materials. The advice and strategies contained herein may not be suitable for your situation. You should consult with a professional where appropriate. Neither the publisher nor author shall be liable for any loss of profit or any other commercial damages, including but not limited to special, incidental, consequential, or other damages.

For general information on our other products and services or for technical support, please contact our Customer Care Department within the United States at (800) 762-2974, outside the United States at (317) 572-3993 or fax (317) 572-4002.

Wiley also publishes its books in a variety of electronic formats. Some content that appears in print may not be available in electronic books. For more information about Wiley products, visit our web site at www.wiley.com.

Library of Congress Cataloging-in-Publication Data:

Stull, Craig.

Tuned in: uncover the extraordinary opportunities that lead to business breakthroughs/
Craig Stull, Phil Myers, and David Meerman Scott.

p. cm.

Includes bibliographical references and index.

ISBN 978-0-470-26036-4 (cloth)

1. Success in business. 2. Creative ability in business. I. Myers, Phil.
- II. Scott, David Meerman. III. Title.

HF5386.S886 2008

658.4'09—dc22

2007051634

Printed in the United States of America

10 9 8 7 6 5 4 3 2 1

For the Tuned In Leaders in Our Lives

The women who inspired us—our wives Karen, Diane,
and Yukari—and the fabulous team and community
of customers we have at Pragmatic Marketing,
the people who remind us every day how valuable
this concept is.

Contents

Chapter 1	Why Didn't We Think of That?	1
	Products and services that resonate	
	Tuned In—The Process and the Book	2
	Why Listen to Us?	3
	The Realtor Who Resonates	6
	Getting Tuned In	8
	The Resonator	8
	The Tuned In Organization	9
	Is <i>Tuned In</i> for You?	11
	What Led to <i>Tuned In</i> ?	12
	Chapter Summary	15
Chapter 2	Tuned Out . . . and Just Guessing	17
	Eliminate the struggle to make connections with your marketplace	
	But We're the Experts!	18
	The Dollar Nobody Wanted	20
	If We're Not Tuned In, What Are We?	21
	Debunking the Myth That "Innovation Is Everything"	22
	Debunking the Myth That "Revenue Cures All"	24
	Debunking the Myth That "Customers Know Best"	25
	A Missionary Sell?	26
	Are You Tuned In or Tuned Out?	27
	Resisting the Gravitational Force	28
	Is Your Refrigerator Running . . . Updated Virus Software?	31
	Is It a Resonator?	32
	Stop Guessing	34
	Chapter Summary	36

Chapter 3	Get Tuned In	39
	How do we build, market, and sell what our market will buy?	
	Listening to Your Existing Customers Is Not Enough	40
	It's Not a Rental Car, It's a Zipcar	41
	How Zipcar Tuned In and Created a Resonator	42
	Step 1—Find Unresolved Problems	44
	Step 2—Understand Buyer Personas	45
	Step 3—Quantify the Impact	46
	Step 4—Create Breakthrough Experiences	47
	Step 5—Articulate Powerful Ideas	48
	Step 6—Establish Authentic Connections	49
	Launching Products and Services That Resonate	51
	Chapter Summary	53
 Chapter 4	 Step 1: Find Unresolved Problems	 55
	How do we know what market and product to focus on?	
	Weren't They Just Lucky?	57
	Looking for Problems	58
	Stated Needs and Silent Needs	58
	But Our Business Doesn't Solve Problems!	59
	Show Me How You Write a Check	60
	Meeting with Buyers	62
	Look for Problems in Your Entire Market, Not Just Your Customer Base	63
	Customers	64
	Evaluators	65
	Potential Customers	66
	Why Not Have Salespeople Tell Us?	66
	You (and Your Family) Are Not Your Buyer	67
	Other Ways to Find Unresolved Problems	68
	Creating Disneyland	69
	Chapter Summary	71
 Chapter 5	 Step 2: Understand Buyer Personas	 73
	How do we identify who will buy our offering?	
	Same Product, Different Buyer Personas	74
	The Importance of Buyer Personas	76

Picture-Perfect Weddings	78
NASCAR Dads and Security Moms	80
Grok Your Buyer Personas	81
A Camera for Surfers	82
Chapter Summary	84

Chapter 6 **Step 3: Quantify the Impact** **87**

How do we know if we have a potential winner?

Urgent, Pervasive, and Buyers Who Are Willing to Pay	89
1. Is the Problem <i>Urgent</i> ?	89
2. Is the Problem <i>Pervasive</i> ?	90
3. Are People Willing to Pay to Solve the Problem?	90

First Urgent, Then Pervasive	91
Whoever Has the Best Data Wins	92
Tuned-In Impact-Continuum	93
Solving Problems for Road Warriors	95
How Much Should We Charge?	97
The Acid Test and Your Buyer Personas	98
Developing a Tuned In Business Proposal	98
Measure What Matters	99
Tuned In . . . without a Credit Card	101
Chapter Summary	103

Chapter 7 **Step 4: Create Breakthrough Experiences** **105**

How do we build a competitive advantage?

Experiences That Resonate	107
Engineering a Breakthrough Experience	109
Products and Services That Resonate	111
Your Distinctive Competence	112
The Ultimate Ice Cream Experience	115
Chapter Summary	117

Chapter 8 **Step 5: Articulate Powerful Ideas** **119**

How do we establish memorable concepts that speak to the problems buyers have?

Concepts That Resonate	120
Find What's Most Compelling	122

“The Elevator Speech Is Our Company’s Compass”	125
What’s Your Powerful Idea?	126
These Guys Understand Me!	128
Danger! Vision and Mission Statements	129
Resonate Like a Comedian	130
Treat Every Patient Like the President	132
Chapter Summary	135

Chapter 9 Step 6: Establish Authentic Connections 137

How do we tell our buyers that we’ve solved their problems so they buy from us?	
Authenticity Beats “Messages” Every Time	138
The Authentic and Transparent Hospital	140
Connecting with Your Buyers Directly	141
High Flying Communications	142
Your Buyers Turn First to the Web to Solve Problems	143
Think Like a Publisher	144
“You Must Unlearn What You Have Learned”	146
What Do Donkeys Have to Do with Marketing?	147
Chapter Summary	151

Chapter 10 Cultivate a Tuned In Culture 153

How do we ensure our organization is tuned in?	
Each Step Is Important	155
Saying “NO”	157
Sales and Distribution That Resonates	157
Tuned In Employees	158
Get Tuned In Right Now	159
Top Ten Actions to Create a Tuned In Culture	160
You Can Do It Too	160
Chapter Summary	162

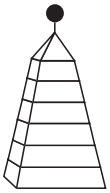
Chapter 11 Unleash Your Resonator 163

How do we become and remain a market leader?	
The Power of Getting Tuned In	168
The Tuned In Career	169

The Tuned In Leader	170
Get Tuned In Today	171
Chapter Summary	173
Notes	175
Acknowledgments	183
Index	189
About the Authors	199
About Pragmatic Marketing	201
Next Steps	203

CHAPTER

1



Why Didn't We Think of That?

Products and services that resonate

The Japanese salaryman works notoriously long hours. He's in the office until 9 or 10 p.m. and sometimes goes out for drinks and maybe some karaoke singing with colleagues after that. But there's a problem. In the big cities like Tokyo, Osaka, and Nagoya, the last train leaves for the suburbs around midnight. So, as the result of a long day at the office and perhaps a few beers, when a Japanese office worker gets on that last train, he often falls asleep.¹

Sometimes he misses his stop.

When the train pulls into the station at the end of the line, the conductors pass through the cars and find a surprising number of sleeping salarymen. They do what's necessary to wake up the wage warriors and push them out the train door. The dazed salarymen then make their way into the quiet night—briefcases in hand, neckties askew—and find themselves in a rice-growing country town many miles from the city. They're also far from their home stops, which passed by an hour before (perhaps as they were dreaming of

2 Tuned In

that perfect rendition of “Take Me Home, Country Roads” at the karaoke bar).

Next train home? Not ’til first thing in the morning, still three or four hours away. A taxi? Several hundred bucks. Instead, our accidental travelers notice a hotel just across the street! And there are vacancies!

And so the blue-suited businessmen head toward their unexpected deliverance. When they arrive at the hotel, they’re greeted and perhaps handed a toilet kit with toothbrush and razor. Best of all, they’ll pay far less than they would have for taxi fare. A place to sleep until morning . . . problem solved.

Who would have thought to build a hotel at the end of a train line, far from anywhere important? Well, smart Japanese hotel owners tuned in to a previously ignored market problem that a well-placed hotel could fix. They identified a particular buyer of hotel services (the overworked and exhausted salaryman), and they’ve built growing, profitable businesses around that niche—in the least likely places, like lonely towns many miles from the nearest big city. (Similar inns, such as Wellbe Hotels in Nagoya, have sprung up near stations in busy business centers and cater to those who miss that last train completely.)²

We’re fascinated with success stories like these—buyer experiences that resonate because they perfectly address market problems that people are prepared to pay money to solve. We’ve identified the patterns of success (and failure), and in these pages we’ll introduce you to dozens of products and services that resonate with their markets. We’ll also tell you about some that don’t, and we’ll explain why not. Most importantly, we’ll teach you the Tuned In Process so you can replicate the winners’ success in your own organization.

Tuned In shows you how to find overlooked marketplace problems that, if solved, bring in customers who willingly buy your products and services without being coerced.

Tuned In—The Process and the Book

In these pages we will share the Tuned In Process, a six-step method for creating a *resonator*: a product or service that so perfectly solves problems for buyers that it sells itself. Starbucks, *American Idol*, and

Google are resonators. Were these products and services created by people smarter, luckier, or born with more talent than the rest of us? *No*. We'll show you that real success in the marketplace is not based on creativity or clever marketing. Anyone can create products and services that resonate. All you need to do is stop *guessing* what people need and start spending your time building real and deep connections to what your buyers value most. We'll show you how to apply the Tuned In Process to find unsolved problems in your marketplace and how you can create breakthrough experiences that people are eager to spend money on.

As we introduce the Tuned In Process, we'll use dozens of examples of companies that have tuned into their market and created resonators. We've studied the introduction of thousands of products, including those from large, well-known companies like Ford Motor Company, Microsoft, and GE; breakout bestsellers from Apple, Red Bull, and Google; and niche offerings from players you may have never heard of like National Community Church, GoPro, and Zipcar.

Any organization—companies large and small, nonprofits, government agencies, entrepreneurs and independent professionals, even churches, authors, and rock bands—can benefit from getting tuned in, because they'll start to create the products and services that people want to buy.

Why Listen to Us?

In the middle of 2006, the three of us came together to talk about the ideas that came to be this book. Many of our clients had told us that they wanted an overview of the process we teach, but in an easy-to-digest package they could share with others. We realized that we

4 Tuned In

had discovered a market problem—a need for a book like this one—and that we had the knowledge (rooted in years of teaching the Tuned In Process) to solve it. Thus, we hope this project will help these ideas get to people in many more industries, job functions, and countries than we reach today through our live speeches and in-person seminars.

As we’ve come together to write this book, we’ve drawn from our personal strengths. As founder and CEO of Pragmatic Marketing, Craig’s methodologies have been taught to over 45,000 executives, product managers, and marketing people at over 3,000 companies. Phil has been a CEO or senior manager at three startups that grew into market leaders, with two leading to successful initial public offerings. David is an expert in *The New Rules of Marketing & PR* (the title of his most recent bestselling book), bringing a deep understanding of how to reach buyers directly using social media, and with an eye toward helping customers solve their problems.³

In the next chapter, “Tuned Out . . . and Just Guessing,” we’ll debunk three common myths about what leads to success. Although it may be surprising to many people, we’ve learned that: (1) relying on innovation isn’t the answer, (2) focusing on revenue often leads to failure, and (3) listening to your customers creates dangerous false signals. We’ll show you why. Armed with this understanding, you will eliminate the struggle to make connections with your marketplace. Chapter 3 will ground you in the Tuned In Process so you understand how to apply it to build, market, and sell what your buyers want to purchase.

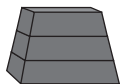
The Tuned In Process includes six steps, and each is explored further in its own detailed chapter so you can apply its lessons to your business:



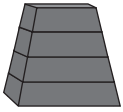
Step 1: Find Unresolved Problems—How do we know what market and product to focus on?



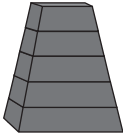
Step 2: Understand Buyer Personas—How do we identify who will buy our offering?



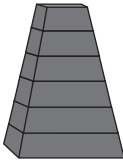
Step 3: Quantify the Impact—How do we know if we have a potential winner?



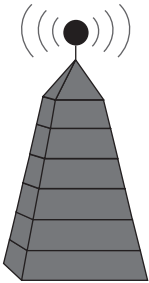
Step 4: Create Breakthrough Experiences—How do we build a competitive advantage?



Step 5: Articulate Powerful Ideas—How do we establish memorable concepts that speak to the problems buyers have?



Step 6: Establish Authentic Connections—How do we tell our buyers that we've solved their problems so they buy from us?



The crowning touch to the Tuned In Process is the creation of a resonator, a product or service that buyers want to talk about, buy, and recommend. In the remaining chapters, we'll explore what it takes to transform your organization by cultivating a tuned in culture and how to become and remain a market leader. To make it easy for you to skim parts of the book and to refer back as you're reading, we've included chapter summaries at the end of each chapter.

What's fascinating about the tuned in approach is that it works amazingly well for all kinds of organizations. We've identified non-profits, business-to-business enterprises, e-commerce companies, independent consultants, churches, and even dentists and lawyers who have created resonators and built growing and profitable businesses. Although they serve a wide variety of markets, these different types of organizations all have the same potential to discover resonators. By being tuned in, they can listen intently, embrace buyer needs passionately, and work diligently to create the best possible customer experience.

Without further ado, we'd like to introduce you to our first tuned in businessperson. If his story doesn't speak to you, never fear; you'll meet dozens more.