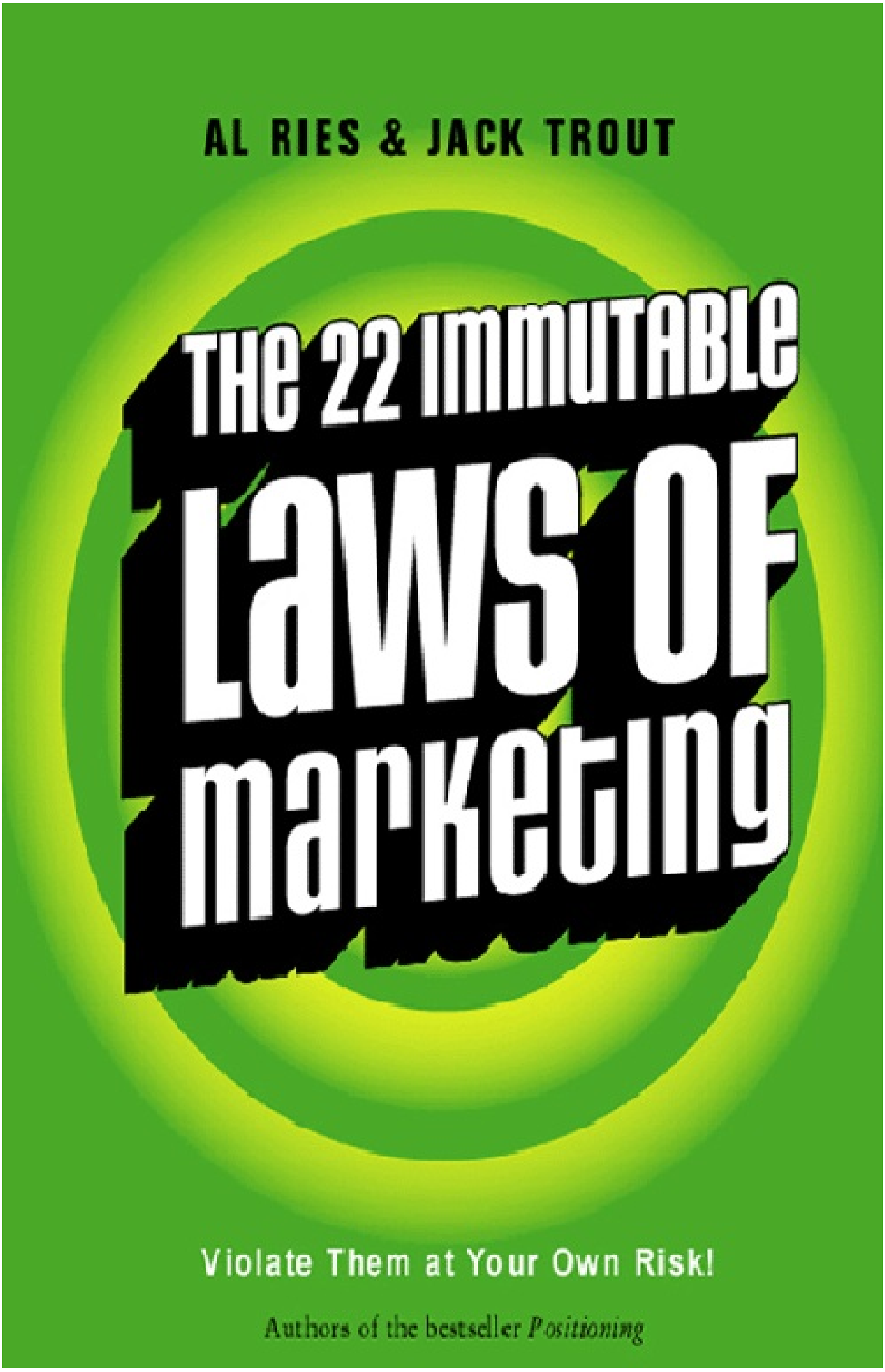
AL RIES & JACK TROUT

THE 22 IMMUTABLE LAWS OF MARKETING

Violate Them at Your Own Risk!

Authors of the bestseller *Positioning*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HarperCollins e-books

Dedication

Dedicated to the elimination of myths and misconceptions from the marketing process

Contents

Introduction

Billions of dollars have been wasted on marketing programs that couldn’t possibly work, no matter how clever or brilliant. Or how big the budgets.

Many managers assume that a well-designed, well-executed, well-financed marketing program will work. It’s not necessarily so. And you don’t have to look further than IBM, General Motors, and Sears, Roebuck to find examples.

The tools and techniques used at Sears, Roebuck might have been right, sometimes even spectacular. And the managers who ran the GM programs might have been the best and the brightest. Certainly the best and the brightest people traditionally have been attracted to the biggest and the best companies, like GM and IBM. But the programs themselves were based on assumptions that were flawed.

John Kenneth Galbraith, when asked what he believed was America’s perception of the country’s giant corporations, said that we feared corporate power. Today, we fear corporate incompetence!

All companies are in trouble. Especially big companies. General Motors is a good example. Over the past decade the company paid a terrible price for destroying the identity of its brands. (It priced them alike as well as made them look alike.) Ten share points evaporated, which translates into about $10 billion a year in sales.

GM’S problem wasn’t a competitive problem, although competition did increase. It wasn’t a quality problem either, although GM obviously wasn’t delivering top-notch quality. It was very definitely a marketing problem.

When a company makes a mistake today, footprints quickly show up on its back as competition runs off with its business. To get the business back, the company has to wait for others to make mistakes and then figure out how to exploit the situation.

So how do you avoid making mistakes in the first place? The easy answer is to make sure your programs are in tune with the laws of marketing. (Although we have defined our ideas and concepts under the “marketing” banner, they are useful no matter where you are in a company, and no matter what product or service your company is selling.)

What are these marketing laws? And who brought them down from Mount Sinai on a set of stone tablets?

The fundamental laws of marketing are those described in this book.

But who says so? How come two guys from Connecticut have discovered what thousands of others have overlooked? There are, after all, many sophisticated marketing practitioners and academics. Why have they missed what we think is so obvious?

The answer is simple. As far as we can tell, almost no one is willing to admit that there are any laws of marketing—certainly none that are immutable.

There are laws of nature, so why shouldn't there be laws of marketing? You can build a great-looking airplane, but it's not going to get off the ground unless it adheres to the laws of physics, especially the law of gravity. You can build an architectural masterpiece on a sand dune, but the first hurricane will undermine your creation. So it follows that you can build a brilliant marketing program only to have one of the immutable laws knock you flat if you don't know what they are.

Perhaps it's human nature not to admit there are things you can't do. Certainly most marketers believe that anything is achievable if you are energetic enough, or creative enough, or determined enough. Especially if you are willing to spend enough money.

Once you open your mind to the possibility that there are laws of marketing, it's easy to see what they are. In truth, they are obvious.

We have been studying what works in marketing and what doesn't for more than 25 years. What we have found is that programs that work are almost always in tune with some fundamental force in the marketplace.

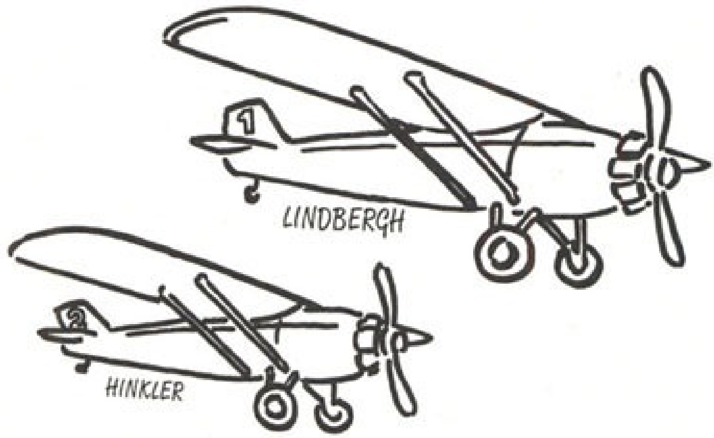
In our books, articles, speeches, and videos we have analyzed marketing principles in some detail. We have developed strategic models of the marketing process, including a physical model of the human mind, which we helped popularize under the concept of "positioning." We also developed a military model of the marketplace, which assigns companies and brands to either defensive, offensive, flanking, or guerrilla modes of marketing warfare.

After years of working on marketing principles and problems, we have distilled our findings into the basic laws that govern success and failure in the marketplace.

We call these principles the Immutable Laws of Marketing, and there are 22 of them. Violate them at your own risk.

1
The Law of Leadership

It's better to be first than it is to be better.



Many people believe that the basic issue in marketing is convincing prospects that you have a better product or service.

Not true. If you have a small market share and you have to do battle with larger, better-financed competitors, then your marketing strategy was probably faulty in the first place. You violated the first law of marketing.

The basic issue in marketing is creating a category you can be first in. It's the law of leadership: It's better to be first than it is to be better. It's much easier to get into the mind first than to try to convince someone you have a better product than the one that did get there first.

You can demonstrate the law of leadership by asking yourself two questions:

1) What's the name of the first person to fly the Atlantic Ocean solo? Charles Lindbergh, right?
2) What's the name of the second person to fly the Atlantic Ocean solo? Not so easy to answer, is it?

The second person to fly the Atlantic Ocean solo was Bert Hinkler. Bert was a better pilot than Charlie—he flew faster, he consumed less fuel. Yet who has ever heard of Bert Hinkler? (He left home and Mrs. Hinkler hasn't heard from him since.)

In spite of the evident superiority of the Lindbergh approach, most companies go the Bert Hinkler route. They wait until a market develops. Then they jump in with a better product, often with their corporate name attached. In today's competitive environment, a me-too product with a line extension name has little hope of becoming a big, profitable brand (chapter 12: The Law of Line Extension).

The leading brand in any category is almost always the first brand into the prospect's mind. Hertz in rent-a-cars. IBM in computers. Coca-Cola in cola.

After World War II, Heineken was the first imported beer to make a name for itself in America. So four decades later, what is the No. 1 imported beer? The one that tastes the best? Or Heineken? There are 425 brands of imported beer sold in America. Surely one of these brands must taste better than Heineken, but does it really matter? Today, Heineken is still the No.1 imported beer, with 30 percent of the market.

The first domestic light beer was Miller Lite. So what is the largest-selling light beer in America today? The one that tastes the best? Or the one that got into the mind first?

Not every first is going to become successful, however. Timing is an issue—your first could be too late. For example, *USA Today* is the first national newspaper, but it is unlikely to succeed. It has already lost $800 million and has never had a profitable year. In a television era, it may be too late for a national newspaper.

Some firsts are just bad ideas that will never go anywhere. Frosty Paws, the first ice cream for dogs, is unlikely to make it. The dogs love it, but the owners are the ones who buy the groceries, and they think that dogs don't need an ice cream of their own. They should be happy just to lick the plates.

The law of leadership applies to any product, any brand, any category. Let's say you didn't know the name of the first college founded in America. You can always make a good guess by substituting *leading* for *first.* So what's the name of the leading college in America? Most people would probably say Harvard, which is also the name of the first college founded in America. (What's the name of the second college founded in America? The College of William and Mary, which is only slightly more famous than Bert Hinkler.)

No two products are any similar than twins are. Yet twins often complain that the first of the two whom a person meets always remains their favorite, even though the person also gets to know the other one.

People tend to stick with what they've got. If you meet someone a little better than your wife or husband, it's really not worth making the switch, what with attorneys' fees and dividing up the house and kids.

The law of leadership also applies to magazines. Which is why *Time* leads *Newsweek*, *People* leads *Us,* and *Playboy* leads *Penthouse.* Take *TV Guide,* for example. Back in the early fifties the then-powerful Curtis Publishing Company tried to field a television-listings magazine to compete with the fledgling *TV Guide.* Even though *TV Guide* had only a minuscule head start, and despite the awesome strength of Curtis, the Curtis publication never really got off the ground. *TV Guide* had preempted the field.

The law of leadership applies equally as well to hard categories like automobiles and computers as it does to soft categories like colleges and beer. Jeep was first in four-wheel-drive off-the-road vehicles. Acura was first in luxury Japanese cars. IBM was first in mainframe computers. Sun Microsystems was first in workstations. Jeep, Acura, IBM, and Sun are all leading brands.

The first minivan was introduced by Chrysler. Today Chrysler has 10 percent of the car market and 50 percent of the minivan market. Is the essence of car marketing making better cars or getting into the market first?

The first desktop laser printer was introduced by a computer company, Hewlett-Packard. Today the company has 5 percent of the personal computer market and 45 percent of the laser printer market.

Gillette was the first safety razor. Tide was the first laundry detergent. Hayes was the first computer modem. Leaders all.

One reason the first brand tends to maintain its leadership is that the name often becomes generic. Xerox, the first plain-paper copier, became the name for all plain-paper copiers. People will stand in front of a Ricoh or a Sharp or a Kodak machine and say, “How do I make a Xerox copy?” They will ask for the Kleenex when the box clearly says Scott. They will offer you a Coke when all they have is Pepsi-Cola.

How many people ask for cellophane tape instead of Scotch tape? Not many. Most people use brand names when they become generic: Band-Aid, Fiberglas, Formica, Gore-Tex, Jello, Krazy Glue, Q-tips, Saran Wrap, Velcro—to name a few. Some people will go to great lengths to turn a brand name into a generic. “FedEx this package to the Coast.” If you’re introducing the first brand in a new category, you should always try to select a name that can work generically. (Lawyers advise the opposite, but what do they know about the laws of marketing?)

Not only does the first brand usually become the leader, but also the sales order of follow-up brands often matches the order of their introductions. The best example is ibuprofen. Advil was first, Nuprin was second, Medipren was third. That’s exactly the sales order they now enjoy: Advil has 51 percent of the ibuprofen market, Nuprin has 10 percent, and Medipren has 1 percent.

The fourth brand that entered the market was Motrin IB. Even though it has the powerful prescription name for ibuprofen, Motrin’s market share is only 15 percent. (Keep in mind that Advil was introduced with a “Same as the prescription drug Motrin” theme.) And note the generic substitution. Consumers use *Advil* as a generic term. Rarely do they use the word *ibuprofen.* Even an M.D. will tell a patient, “Take two Advil and call me in the morning.”

Also consider Tylenol, the first brand of acetaminophen. Tylenol is so far ahead of the No. 2 brand that it’s hard to determine who *is* No. 2.

If the secret of success is getting into the prospect’s mind first, what strategy are most companies committed to? The better-product strategy. The latest and hottest subject in the business management field is benchmarking. Touted as the “ultimate competitive strategy,” benchmarking is the process of comparing and evaluating your company’s products against the best in the industry. It’s an essential element in a process often called “total quality management.”

Unfortunately, benchmarking doesn’t work. Regardless of reality, people perceive the first product into the mind as superior. Marketing is a battle of perceptions, not products.

So what’s the name of the first brand of aspirin? The first brand of acetaminophen? The first brand of ibuprofen? (Hint: Substitute *leading* for *first* and you’ll have the answers to these three questions.)

Charles Schwab bills itself as “America’s largest discount broker.” Are you surprised that the Charles Lindbergh of the discount brokerage business is Charles

Schwab?

Neil Armstrong was the first person to walk on the moon. Who was second?

Roger Bannister was the first person to run a four-minute mile. Who was second?

George Washington was the first president of the United States. Who was second?

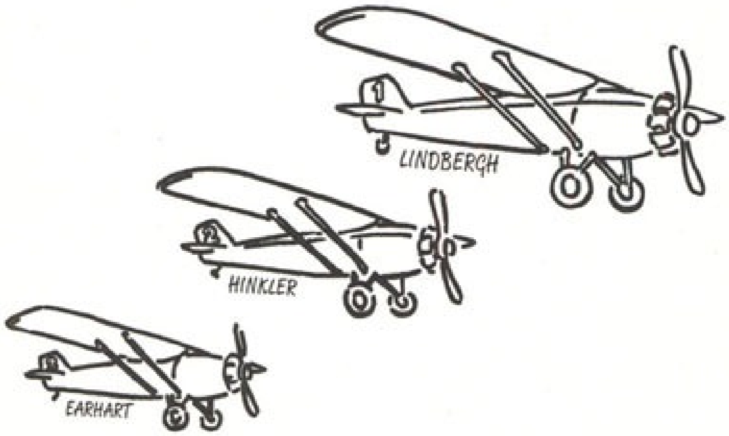
Thomas' was the first brand of English muffin. What was second?

Gatorade was the first sports drink. What was second?

If you're second into the prospect's mind, are you doomed to languish forever with Buzz Aldrin, John Landy, John Adams, some unknown English muffin, and some unknown sports drink? Not necessarily. Fortunately, there are other laws.

2
The Law of the Category

If you can't be first in a category, set up a new category you can be first in.



What's the name of the third person to fly the Atlantic Ocean solo?

If you didn't know that Bert Hinkler was the second person to fly the Atlantic, you might figure you had no chance at all to know the name of the third person. But you do. It's Amelia Earhart.

Now, is Amelia known as the third person to fly the Atlantic Ocean solo, or as the first woman to do so?

After Heineken became a big success, the people at Anheuser-Busch could have said, "We should bring in an imported beer, too." But they didn't. Instead they said, "If there's a market for a high-priced imported beer, maybe there's a market for a high-priced domestic beer." And so they started to promote Michelob, the first high-priced domestic beer, which today out-sells Heineken two to one. (Actually, Anheuser-Busch also brought in an imported beer, Carlsberg, which has a very good reputation in Europe. In the United States, however, the me-too Carlsberg never went anywhere.)

Miller Lite was the first domestic light. It took an importer five years to say, "If there's a market for a domestic light beer, maybe there's a market for an imported light beer." The result was Amstel Light, which became the largest-selling imported light beer.

If you didn't get into the prospect's mind first, don't give up hope. Find a new category you can be first in. It's not as difficult as you might think.

After IBM became a big success in computers, everybody and his brother jumped into the field. Burroughs, Control Data, General Electric, Honeywell, NCR, RCA, Sperry. Snow White and the seven dwarfs, they were called.

Which dwarf grew up to become a worldwide powerhouse, with 126,000 employees and sales of $14 billion, a company often dubbed "the second largest computer company in the world"? None of them. The most successful computer company of the seventies and eighties, next to IBM, was Digital Equipment Corporation. IBM was first in computers. DEC was first in minicomputers.

Many other computer companies (and their entrepreneurial owners) became rich and famous by following a simple principle: If you can't be first in a category, set up a new category you can be first in.

Tandem was first in fault-tolerant computers and built a $1.9 billion business. So Stratus stepped down with the first fault-tolerant minicomputer. Today Stratus is a $500 million company.

Are the laws of marketing difficult? No, they are quite simple. Working things out in practice is another matter, however.

Cray Research went over the top with the first supercomputer. Today, Cray is an $800 million company. So Convex put two and two together and launched the first mini supercomputer. Today, Convex is a $200 million company.

Sometimes you can turn an also-ran into a winner by inventing a new category. Commodore was just another manufacturer of home personal computers that wasn't going anywhere until it positioned the Amiga as the first multimedia computer. Today the Commodore Amiga is a big success, with more than $500 million worth sold annually.

There are many different ways to be first. Dell got into the crowded personal computer field by being the first to sell computers by phone. Today Dell is a $900 million company.

When you launch a new product, the first question to ask yourself is not "How is this new product better than the competition?" but "First what?" In other words, what category is this new product first in?

Charles Schwab didn't open a better brokerage firm. He opened the first discount broker.

Lear's was not the first woman's magazine. It was the first magazine for the mature woman. (The magazine for the woman who wasn't born yesterday.)

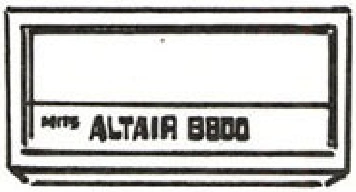
This is counter to classic marketing thinking, which is brand oriented: How do I get people to prefer my brand? Forget the brand. Think categories. Prospects are on the defensive when it comes to brands. Everyone talks about why their brand is better. But prospects have an open mind when it comes to categories. Everyone is interested in what's new. Few people are interested in what's better.

When you're the first in a new category, promote the category. In essence, you have no competition. DEC told its prospects why they ought to buy a minicomputer, not a DEC minicomputer.

In the early days, Hertz sold rent-a-car service. Coca-Cola sold refreshment. Marketing programs of both companies were more effective back then.

3
The Law of the Mind

It’s better to be first in the mind than it is to be first in the marketplace



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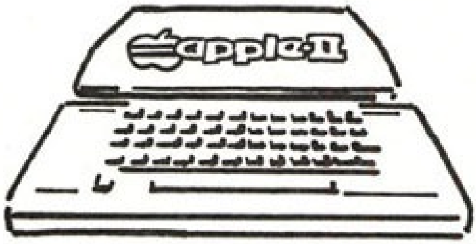


INTRODUCED IN 1976

The world’s first personal computer was the MITS Altair 8800.

The law of leadership would suggest that the MITS Altair 8800 (an unfortunate choice of names) ought to be the No. 1 personal computer brand. Unfortunately, the product is no longer with us.

Du Mont invented the first commercial television set. Duryea introduced the first automobile. Hurley introduced the first washing machine. All are gone.

Is something wrong with the law of leadership in chapter 1? No, but the law of the mind modifies it. It’s better to be first in the prospect’s mind than first in the marketplace. Which, if anything, understates the importance of being first in the mind. Being first in the mind is everything in marketing. Being first in the marketplace is important only to the extent that it allows you to get in the mind first.

For example, IBM wasn’t first in the marketplace with the mainframe computer. Remington Rand was first, with UNIVAC. But thanks to a massive marketing effort, IBM got into the mind first and won the computer battle early.

The law of the mind follows from the law of perception. If marketing is a battle of perception, not product, then the mind takes precedence over the marketplace.

Thousands of would-be entrepreneurs are tripped up every year by this law. Someone has an idea or concept he or she believes will revolutionize an industry, as well it may. The problem is getting the idea or concept into the prospect's mind.

The conventional solution to the problem is money. That is, the resources to design and build product or service organizations plus the resources to hold press conferences, attend trade shows, run advertisements, and conduct direct mail programs (chapter 22: The Law of Resources).

Unfortunately, this gives rise to the perception that the answer to all marketing questions is the same: money. Not true. More money is wasted in marketing than in any other human activity (outside of government activities, of course).

You can't change a mind once a mind is made up. It's like going head-to-head against an entrenched enemy, the charge of the Light Brigade at Balaclava being history's most famous example, closely followed by Pickett's fiasco at Gettysburg.

Wang was first in word processors. But the world passed such machines by and went on to computers. Wang, however, wasn't able to make the transition. In spite of spending millions of dollars promoting its personal computers and minicomputers, Wang is still perceived as a word processor company.

Xerox was first in copiers and then tried to get into the computer business. Twenty-five years and $2 billion later, Xerox is nowhere in computers.

You want to change something in a computer? Just type over or delete the existing material. You want to change something in a mind? Forget it. Once a mind is made up, it rarely, if ever, changes. The single most wasteful thing you can do in marketing is try to change a mind.

"If you want to make a big impression on another person, you cannot worm your way into their mind and then slowly build up a favorable opinion over a period of time. The mind doesn't work that way. You have to blast your way into the mind.

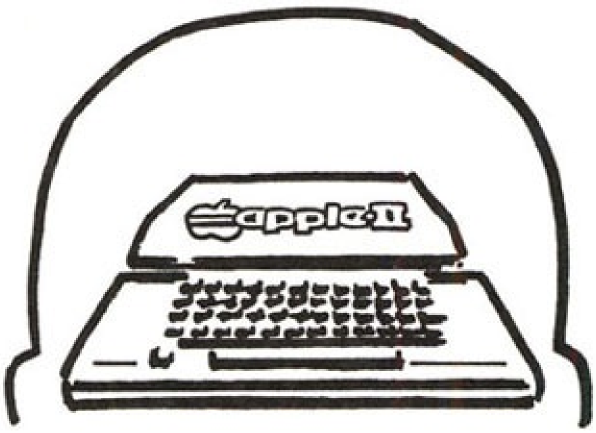
The reason you blast instead of worm is that people don't like to change their minds. Once they perceive you one way, that's it. They kind of file you away in their minds as a certain kind of person. You cannot become a different person in their minds.

One of the mysteries of marketing is the role of money. One day a few dollars can work a major miracle. The next day millions of dollars can't save a company from going under. When you have an open mind to work with, even a small amount of money can go a long way. Apple got off the computer ground with $91,000 contributed by Mike Markkula.

Apple's problem in getting into its prospects' minds was helped by its simple, easy-to-remember name. On the other hand, Apple's competitors had complicated names that were difficult to remember. In the early days, five personal computers were in position on the launching pad: Apple II, Commodore Pet, IMSAI 8080, MITS Altair 8800, and Radio Shack TRS-80. Ask yourself, which name is the simplest and easiest to remember?

4
The Law of Perception

Marketing is not a battle of products, it's a battle of perception.



Many people think marketing is a battle of products. In the long run, they figure, the best product will win.

Marketing people are preoccupied with doing research and "getting the facts." They analyze the situation to make sure that truth is on their side. Then they sail confidently into the marketing arena, secure in the knowledge that they have the best product and that ultimately the best product will win.

It's an illusion. There is no objective reality. There are no facts. There are no best products. All that exists in the world of marketing are perceptions in the minds of the customer or prospect. The perception is the reality. Everything else is an illusion.

All truth is relative. Relative to your mind or the mind of another human being. When you say, "I'm right and the next person is wrong," all you're really saying is that you're a better perceiver than someone else.

Most people think they are better perceivers than others. They have a sense of personal infallibility. Their perceptions are always more accurate than those of their neighbors or friends. Truth and perception become fused in the mind, leaving no difference between the two.

It's not easy to see that this is so. To cope with the terrifying reality of being alone in the universe, people project themselves on the outside world. They "live" in the arena of books, movies, television, newspapers, magazines. They “belong” to clubs, organizations, institutions. These outside representations of the world seem more real than the reality inside their own minds.

People cling firmly to the belief that reality is the world outside of the mind and that the individual is one small speck on a global spaceship. Actually it’s the opposite. The only reality you can be sure about is in your own perceptions. If the universe exists, it exists inside your own mind and the minds of others. That’s the reality that marketing programs must deal with.

There may well be oceans, rivers, cities, towns, trees, and houses out there, but there just isn’t any way for us to know these things except through our own perceptions. Marketing is a manipulation of those perceptions.

Most marketing mistakes stem from the assumption that you’re fighting a product battle rooted in reality. All the laws in this book are derived from the exact opposite point of view.

What some marketing people see as the natural laws of marketing are based on a flawed premise that the product is the hero of the marketing program and that you’ll win or lose based on the merits of the product. Which is why the natural, logical way to market a product is invariably wrong.

Only by studying how perceptions are formed in the mind and focusing your marketing programs on those perceptions can you overcome your basically incorrect marketing instincts.

Each of us (manufacturer, distributor, dealer, prospect, customer) looks at the world through a pair of eyes. If there is objective truth out there, how would we know it? Who would measure it? Who would tell us? It could only be another person looking at the same scene through a different pair of eye-windows.

Truth is nothing more or less than one expert’s perception. And who is the expert? It’s someone who is perceived to be an expert in the mind of somebody else.

If truth is so illusive, why is there so much discussion in marketing about the so-called facts? Why are so many marketing decisions based on factual comparisons? Why do so many marketing people assume that truth is on their side, that their job is to use truth as a weapon to correct the misperceptions that exist in the mind of the prospect?

Marketing people focus on facts because they believe in objective reality. It’s also easy for marketing people to assume that truth is on their side. If you think you need the best product to win a marketing battle, then it’s easy to believe you have the best product. All that’s required is a minor modification of your own perceptions.

Changing a prospect’s mind is another matter. Minds of customers or prospects are very difficult to change. With a modicum of experience in a product category, a consumer assumes that he or she is right. A perception that exists in the mind is often interpreted as a universal truth. People are seldom, if ever, wrong. At least in their own minds.

It’s easier to see the power of perception over product when the products are separated by some distance. For example, the three largest-selling Japanese imported cars in America are Honda, Toyota, and Nissan. Most marketing people think the battle between the three brands is based on quality, styling, horsepower, and price. Not true. It’s what people *think* about a Honda, a Toyota, or a Nissan that determines which brand will win. Marketing is a battle of perceptions.

Japanese automobile manufacturers sell the same cars in the United States as they do in Japan. If marketing were a battle of products, you would think the same sales order would hold true for both countries. After all, the same quality, the same styling, the same horsepower, and roughly the same prices hold true for Japan as they do for the United States. But in Japan, Honda is nowhere near the leader. There, Honda is in third place, behind Toyota and Nissan. Toyota sells more than four times as many automobiles in Japan as Honda does.

So what's the difference between Honda in Japan and Honda in the United States? The products are the same, but the perceptions in customers' minds are different.

If you told friends in New York you bought a Honda, they might ask you, "What kind of car did you get? a Civic? an Accord? a Prelude?" If you told friends in Tokyo you bought a Honda, they might ask you, "What kind of motorcycle did you buy?" In Japan, Honda got into customers' minds as a manufacturer of motorcycles, and apparently most people don't want to buy a car from a motorcycle company.

How about an opposite situation? Would Harley-Davidson be successful if it launched a Harley-Davidson automobile? You might think it would depend on the car. Quality, styling, horsepower, pricing. You might even believe the Harley-Davidson reputation for quality would be a plus. We think not. Its perception as a motorcycle company would undermine a Harley-Davidson car—no matter how good the product (chapter 12: The Law of Line Extension).

Why is Campbell's soup No. 1 in the United States and nowhere in the United Kingdom? Why is Heinz soup No. 1 in the United Kingdom and a failure in the United States? Marketing is a battle of perceptions, not products. Marketing is the process of dealing with those perceptions.

Some soft-drink executives believe that marketing is a battle of taste. Well, New Coke is No. 1 in taste. (The Coca-Cola Company conducted 200,000 taste tests that "proved" that New Coke tastes better than Pepsi-Cola and Pepsi tastes better than their original formula, now called Coca-Cola Classic.) But who is winning the marketing battle? The drink that research has proven to taste the best, New Coke, is in third place. The one that research shows tastes the worst, Coca-Cola Classic, is in first place.

You believe what you want to believe. You taste what you want to taste. Soft-drink marketing is a battle of perceptions, not a battle of taste.

What makes the battle even more difficult is that customers frequently make buying decisions based on second-hand perceptions. Instead of using their own perceptions, they base their buying decisions on someone else's perception of reality. This is the "everybody knows" principle.

Everybody knows that the Japanese make higher-quality cars than the Americans do. So people make buying decisions based on the fact that everybody knows the Japanese make higher-quality cars. When you ask shoppers whether they have had any personal experience with a product, most often they say they haven't. And, more often than not, their own experience is often twisted to conform to their perceptions.

If you have had a bad experience with a Japanese car, you've just been unlucky, because everybody knows the Japanese make high-quality cars. Conversely, if you have had a good experience with an American car, you've just been lucky, because everybody knows that American cars are poorly made.

Everybody knows there's a problem with Audi cars. On November 23, 1986, CBS broadcast a "60 Minutes" segment called "Out of Control." It called attention to a number of complaints about Audi's "unintended acceleration." American sales of Audis fell through the floorboards—from 60,000 in 1986 to 12,000 in 1991. But have you ever personally had any problems with "unintended acceleration" while test-driving an Audi? It is unlikely. Every single automobile expert who has tested the car has failed to duplicate the complaint. Yet the perception lingers on.

Recently Audi has been running advertisements comparing its cars to comparable cars made by Mercedes-Benz and BMW. According to the ads, German automotive experts rated Audi cars ahead of both Mercedes and BMW.

Do you believe that? Probably not. Is it true? Does it matter?

Marketing is not a battle of products. It's a battle of perceptions.

5
The Law of Focus

The most powerful concept in marketing is owning a word in the prospect's mind.

A company can become incredibly successful if it can find a way to own a word in the mind of the prospect. Not a complicated word. Not an invented one. The simple words are best, words taken right out of the dictionary.

This is the law of focus. You "burn" your way into the mind by narrowing the focus to a single word or concept. It's the ultimate marketing sacrifice.

Federal Express was able to put the word *overnight* into the minds of its prospects because it sacrificed its product line and focused on overnight package delivery only.

In a way, the law of leadership—it's better to be first than to be better—enables the first brand or company to own a word in the mind of the prospect. But the word the leader owns is so simple that it's invisible.

The leader owns the word that stands for the category. For example, IBM owns *computer.* This is another way of saying that the brand becomes a generic name for the category. "We need an IBM machine." Is there any doubt that a computer is being requested?

You can also test the validity of a leadership claim by a word association test. If the given words are *computer, copier, chocolate bar,* and *cola,* the four most associated words are *IBM, Xerox, Hershey's,* and *Coke.*

An astute leader will go one step further to solidify its position. Heinz owns the word *ketchup.* But Heinz went on to isolate the most important ketchup attribute.