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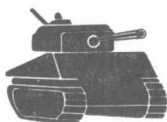


# MARKETING WARFARE

BY THE AUTHORS OF *POSITIONING*

**AL RIES**  
**JACK TROUT**

# Marketing Warfare



**Al Ries**

**Chairman, Trout & Ries, Inc.**

**and**

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**President, Trout & Ries, Inc.**



A PLUME BOOK

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**"MARKETING WARFARE IS LIKELY TO ACHIEVE BEST-SELLER STATUS. IT IS ANYTHING BUT A DULL READ."**—*Business Marketing*

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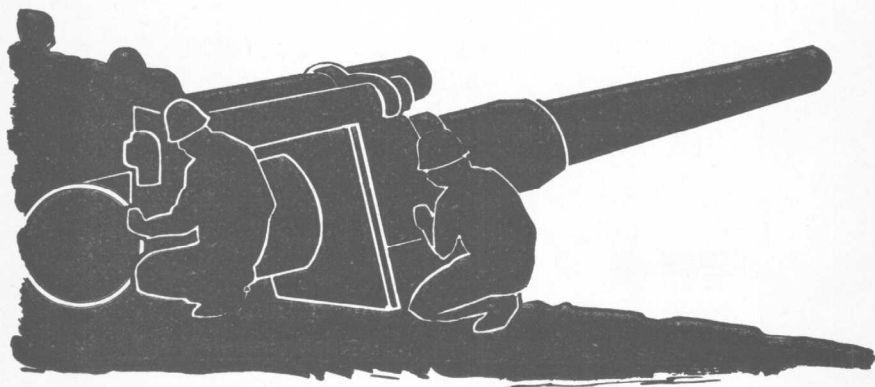
**"Ad agency people will have to read *Marketing Warfare*. . . . IT'S GOT EVERYTHING!"**—*Ad Day*

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**AL RIES** is founder and chairman of the board of Trout and Ries Advertising, a leading New York agency with \$30 million in billings.

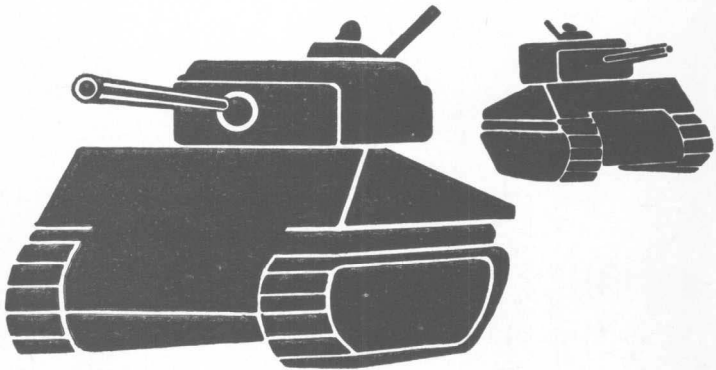
**JACK TROUT** is president of Trout & Ries.

# Principles of defensive marketing warfare.



1. Only the market leader should consider playing defense.
2. The best defensive strategy is the courage to attack yourself.
3. Strong competitive moves should always be blocked.

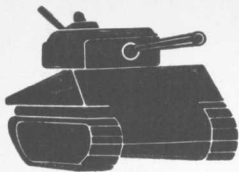
# Principles of offensive marketing warfare.



1. The main consideration is the strength of the leader's position.
2. Find a weakness in the leader's strength and attack at that point.
3. Launch the attack on as narrow a front as possible.

**Dedicated to  
one of the greatest marketing strategists  
the world has ever known:**

**Karl von Clausewitz.**



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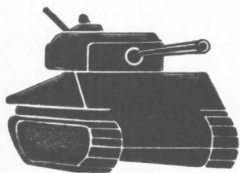
As form should follow function, strategy should follow tactics. That is, the achievement of tactical results is the ultimate and only goal of a strategy. Strategy should be developed from the bottom up, not the top down. Only a general with deep, intimate knowledge of what happens on the battlefield itself is in a position to develop an effective strategy. . . . . 187

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*War belongs to the province of business competition, which is also a conflict of human interests and activities.* Karl von Clausewitz



## **Introduction: Marketing is war**

The best book on marketing was not written by a Harvard professor. Nor by an alumnus of General Motors, General Electric, or even Procter & Gamble.

We think the best book on marketing was written by a retired Prussian general, Karl von Clausewitz. Entitled *On War*, the 1832 book outlines the strategic principles behind all successful wars.

Clausewitz was the great philosopher of war. His ideas and concepts have lasted more than 150 years. Today, *On War* is widely quoted at places like West Point, Sandhurst, and St. Cyr.

War has changed dramatically since *On War* was first published. The tank, the airplane, the machine gun, and a host of new weapons have been introduced. Yet the ideas of Clausewitz are still as relevant today as they were in the nineteenth century.

Weapons may change, but warfare itself, as Clausewitz was first to recognize, is based on two immutable charac-

teristics: strategy and tactics. His clear exposition of the strategic principles of war are likely to guide military commanders well into the twenty-first century.

### **Marketing needs a new philosophy**

The classic definition of marketing leads one to believe that marketing has to do with satisfying consumer needs and wants.

Marketing is “human activity directed at satisfying needs and wants through exchange processes,” says Philip Kotler of Northwestern University.

Marketing is “the performance of business activities that direct the flow of goods and services from producer to consumer,” says the American Marketing Association.

Marketing is “the performance of those activities which seek to accomplish an organization’s objectives by anticipating customer or client needs and directing a flow of need-satisfying goods and services from producer to customer or client,” says E. Jerome McCarthy of Michigan State University.

Perhaps the most complete explanation of the “needs and wants” theory is the definition provided by John A. Howard of Columbia University in 1973. Marketing, says Mr. Howard, is the process of: “(1) identifying customer needs, (2) conceptualizing those needs in terms of an organization’s capacity to produce, (3) communicating that conceptualization to the appropriate laws of power in the organization, (4) conceptualizing the consequent output in terms of the customer needs earlier identified,

and (5) communicating that conceptualization to the customer.”

Are those the five steps on the road to marketing success today? Would identifying, conceptualizing, and communicating help American Motors compete successfully with General Motors, Ford, and Chrysler? Let alone Toyota, Datsun, Honda, and the rest of the imports?

Let's say American Motors develops a product strategy based on identifying customer needs. The result would be a line of products identical to those of General Motors, which spends millions of dollars researching the same marketplace to identify those same customer needs.

Is this what marketing is all about? The victory belongs to the side that does a better job of marketing research?

Clearly something is wrong. When American Motors ignores customer needs, the company is much more successful. The Jeep, a product borrowed from the military, is a winner. American Motors passenger cars are losers.

No focus group is likely to have conjured up the Jeep. Nor is identifying customer needs likely to help an also-ran compete with a leader.

### **Becoming customer-oriented**

Marketing people traditionally have been customer-oriented. Over and over again they have warned management to be customer- rather than production-oriented.

Ever since World War II, King Customer has reigned supreme in the world of marketing.

But it's beginning to look like King Customer is dead. And like marketing people have been selling a corpse to top management.

Companies who have dutifully followed the directions of their marketing experts have seen millions of dollars disappear in valiant but disastrous customer-oriented efforts.

To see how we got into this predicament, you have to go back to the twenties when business was production-oriented. This was the heyday of Henry "You Can Have Any Color You Want As Long As It's Black" Ford.

In the production era, business discovered advertising. "Mass advertising creates mass demand which makes mass production possible," said the advertising experts.

In the aftermath of World War II, the leading companies became customer-oriented. The marketing expert was in charge and the prime minister was marketing research.

But today every company is customer-oriented. Knowing what the customer wants isn't too helpful if a dozen other companies are already serving the same customer's wants. American Motors's problem is not the customer. American Motors's problem is General Motors, Ford, Chrysler, and the imports.

### **Becoming competitor-oriented**

To be successful today, a company must become competitor-oriented. It must look for weak points in the positions of its competitors and then launch marketing attacks

against those weak points. Many recent marketing success stories illustrate this.

For example, while others were losing millions in the computer business, Digital Equipment Corporation was making millions by exploiting IBM's weakness in small computers.

Similarly, Savin established a successful beachhead in small, inexpensive copiers, a weak point in the Xerox lineup.

And Pepsi took advantage of its sweeter taste to challenge Coke in the hotly contested cola market. At the same time, Burger King was making progress against McDonald's with its "broiling, not frying" attack.

There are those who would say that a well-thought-out marketing plan always includes a section on the competition. Indeed it does. Usually toward the back of the plan in a section entitled "Competitive Evaluation." The major part of the plan usually spells out the marketplace, its various segments, and a myriad of customer research statistics carefully gleaned from endless focus groups, test panels and concept and market tests.

### **The marketing plan of the future**

In the marketing plan of the future, many more pages will be dedicated to the competition. This plan will carefully dissect each participant in the marketplace. It will develop a list of competitive weaknesses and strengths as well as a plan of action to either exploit or defend against them.

There might even come a day when this plan will contain a dossier on each of the competitors' key marketing

people which will include their favorite tactics and style of operation (not unlike the documents the Germans kept on Allied commanders in World War II).

What does all this portend for marketing people of the future?

It means they have to be prepared to wage marketing warfare. More and more, successful marketing campaigns will have to be planned like military campaigns.

Strategic planning will become more and more important. Companies will have to learn how to *attack* and to *flank* their competition, how to *defend* their positions, and how and when to wage *guerrilla* warfare. They will need better intelligence on how to anticipate competitive moves.

On the personal level, successful marketing people will have to exhibit many of the same virtues that make a great military general—courage, loyalty, and perseverance.

### **Maybe Clausewitz is right**

Maybe marketing is war, where the competition is the enemy and the objective is to win the battle.

Is this quibbling over details? Not really. Compare the game of football with the profession of marketing.

The football team that scores the most points wins the game. The marketing team that makes the most sales wins the marketing game. So far they're equivalent.

But try to play football the way you would play a marketing game.



Let's insert a marketing manager into a football game and watch him or her identify the goal line as the place to score points, that is, make sales. Then watch as the marketing manager lines up the team and heads straight for the goal line with the ball.

You don't have to be a sports expert to know that the direct approach in football leads to certain disaster.

In football, you win by outwitting, outflanking, outplaying the other team. The points on the scoreboard are only a reflection of your ability to do these things.

In war, you win by outwitting, outflanking, and overpowering the enemy. The territory you take is only a reflection of your ability to do these things.

Why should marketing be any different?

Why do the hundreds of definitions of the marketing concept almost never mention the word *competition*? Or suggest the essential nature of the conflict?

The true nature of marketing today involves the conflict between corporations, not the satisfying of human needs and wants.

If human needs and wants get satisfied in the process of business competition, then it is in the public interest to let the competition continue. But let us not forget the essential nature of what marketing is all about.

### **In defense of marketing warfare**

You might object to the direct application of military principles to marketing. War is horrible enough in wartime, people have told us, without extending it to peacetime.