Outside-in: A customer-focused approach to targeting

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“Outside-in” vs. “Inside-out”:

Even though we know better, most marketers use inside-out (me centered) thinking as the basis for their targeting.

There is a better way.
Definition: Inside-out targeting

• A “We-will-tell-you-who-we-are” value proposition

• Broadcast our messages to a demographic: Cast the widest possible net

• Subconsciously, push-based thinking
Does this sound familiar?

- “We are the global leader in web-enabled left-handed widget technology.”
- “We are your world-class NKWIM* solutions partner.”

*Acronym for “Nobody Knows What It Means”
Problems with inside-out targeting

For the prospect—
- I have to do all the work to connect to your message
- I have to figure out if this is important to me
- This is not how I define my problem

For the company—
- Our “leads” are poorly qualified
- Our selling takes longer
- Waste and inefficiencies add cost to the system
An alternative approach

- The best target is not a demographic, but a person with a problem who is ready to take action.
Definition: Outside-in targeting

- A “We-understand-your-world; we-can-make it-better” value proposition
- Broadcast messages that will spark strong connections among ideal customers
- Consciously pull-based thinking
A helpful exercise . . .

Can you pass the Moroccan Bazaar test?

- Left-handed widgets!
- Me! Me! Me!
- NKWIM solutions!
- Buy my stuff!
- Square Pegs!

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Another helpful exercise . . .

• Rather than asking “Who is responsible?”, consider “Who is concerned?”. 
The benefits of outside-in targeting

For the prospect—
- You help me opt in or opt out (and I appreciate that)

For the company—
- Our message really stands out; people are listening
- Better quality leads and shorter sales cycles
- Higher margins in solving *their* problems

For you—
- More gain with less pain
The big picture

• Outside-in is a mindset
• You’re not *doing* anything different
• But you are definitely *thinking* differently
Making it real—applying outside-in targeting

• With this approach, you go through all the normal steps of solving a marketing problem

• But you look at each choice from the perspective of a person who is ready to take action to solve a problem
Case study: The Strategy & Message

from this . . . to this . . . to this

#1 in outsource medical cost management

We make big medical bills smaller

Managing healthcare costs is challenging.
XYZ Co. can help.
Making it real—applying outside-in targeting

• Outside-in thinking and the Prospect
• Outside-in thinking and the List
• Outside-in thinking and the Offer
• Outside-in thinking and the Creative
• Outside-in thinking and the Budget
Outside-in thinking and the Prospect

• What is the most important and compelling problem people solve with our product or service?
• Who are the people most concerned about that problem?
• Is this a big group?
• How much value do they put on the solution?
Case Study, Part A

- A manufacturer of point-of-sale equipment for the paint industry
- Both retailers & paint companies were customers
- The customers said, “We want you to be invisible.”
- But when the equipment wasn’t working, the retailer was out of business
Outside-in thinking and the List

- Where do the people who are concerned about this problem look for solutions?
- Where are they and what are they doing when they are thinking about this problem?
- Where and when are they receptive to receiving messages in general?
- Who has credibility with these people?
Case Study, Part B

- Retailers relied on their paint company sales rep
- The sales rep wanted to sell paint, not equipment
- By shifting to an outside-in perspective, we could solve a problem for the sales rep and the retailer
- Solution: make it easy for the sales rep to endorse our equipment at the moment when they wanted us to be visible
Outside-in thinking and Multiple Channels

• When extending our message into multiple channels, we ask more of the same questions we ask about lists

• Direct mail, mass media and web traffic builders all work together to create connections with people who are ready to solve a problem

• Consistency in message, tone and perspective—“outside-in”—is the key to success
Outside-in thinking and the Offer

• The offer must have the strongest possible link to the problem—as defined by the prospect

• How can the offer demonstrate that we understand your world?

• How can the offer highlight the importance of this problem?

• How can the offer trigger action for those who are aware that they have the problem?
Outside-in thinking and the Creative

- The creative must spark instant recognition and a personal connection within the prospect
- How can the creative convey that we understand what your situation feels like?
- How can the creative dramatize this problem?
- How can the creative sharpen the opt in/opt out thought process?
Case study: postcard campaign

“We have a strategy. It's called survival.”

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Case study: postcard campaign

“We believe priorities. We have thousands of them.”
Case study: postcard campaign

“My team is full of high energy people. Now if I could only find the switch.”
Outside-in thinking and the Budget

• With an outside-in approach, you don’t spend more—or less—than with an inside-out approach

• You spend *differently*

• Spending works harder because you
  — attract those who are ready to take action
  — speak to them in their terms
  — focus on the value of solving the problem
Closing thoughts . . .

• Outside-in is a mindset
• You’re not *doing* anything different
• But you are definitely *thinking* differently
• . . . And it gets easier with practice
Discussion . . .
Thank you!

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