

The Underground Marketer - Episode 10 - Transcript

Introduction 00:00:03 Marketing explosive growth and revolutionary secrets that can catapult your business to new heights. You're now listening to The Underground Marketer Podcast with your host Tudor you can trust the one podcast devoted to showing new businesses, how to market themselves for high growth.

Tudor Dumitrescu 00:00:23 Welcome to the underground marketer. This is the place where we deliver the real truth about marketing and explore big ideas that can help new businesses thrive

Tudor Dumitrescu 00:00:34 And grow into big ones. I'm your host Tudor. And today we're going to discuss the concept of unique mechanism and the role it plays in advertising. More specifically, we're going to look at how markets develop and why unique mechanisms are an absolute necessity in the modern world when it comes to advertising. And basically why your products actually need a unique mechanism in most cases to be successful. So the first thing we have to discuss is how markets develop over time. And some of you may know about the product adoption curve basically looks like a bell curve, and it shows how a market, a group of consumers starts adopting a new product, a new invention, basically when the new product, the new invention is new. There's nothing like it out there. There's only a small percentage of innovators and early adopters who are going to be interested in it and interested to buy it and to use it right.

Tudor Dumitrescu 00:01:42 And the mainstream is still not going to be interested in the product. They're too skeptical. They're not, they don't have the tendency to look for what's new for what's better all the time. So they're not going to be interested in it upfront first. You're just going to have the innovators and the early adopters. And after that, if the product is marketed well enough, then it will cross the chasm as the talk goes in marketing. And this actually comes from a great marketing book, Crossing the Chasm by Geoffrey Moore, it's one of the top books that I recommend anyway. So through effective marketing, a new product, a new invention can become mainstream. It can cross the chasm from the early adopters to the mass market. And then it gets adopted by the mass market, which is the majority of people. So if you think about something like social media or social media like Facebook, right?

Tudor Dumitrescu 00:02:42 So initially Facebook was used by some early innovators and visionaries, the students at Harvard and later at other universities. And so on, at some point it crossed the chasm and it became mainstream and nowadays everybody has Facebook and everybody's using it. Everybody has a profile on it. There's over 1 billion users, basically it went mainstream. So that's how markets progress. And one of the things that frequently happens over time in markets is that products have a tendency to go from being unique and scarce, initially when they're new to basically becoming commonplace and extremely abundant. In other words, the product become commodities, right? And you have a lot of them think about something like sugar. For example, initially sugar was very valuable. It wasn't commonly available for everyone over time though. And in our modern society, it's become a pure commodity. You know, you can find it at every supermarket.

Tudor Dumitrescu 00:03:52 Uh, there's nothing special about it. It's commonplace, it's abundant. And the thing with product is that once the market matures and the products become commodities, they tend to be described very well by what we know in economics as perfect

competition. And that basically means that market participants, the suppliers, they can't make any meaningful profits in perfect competition, right? The profits are zero. There's so much competition out there so many options to buy the same product. And it's a commodity. And basically there's no profit left in it. So, um, that's why basically when you're doing advertising and when you're doing marketing, you never want to sell a commodity because it's just never going to work out through advertising. It's just not effective and you can't do it profitably. You know, it's one of the reasons why you don't see packs of sugar or packs of salt advertised on TV or advertised on Facebook or wherever else because they're commodities.

Tudor Dumitrescu 00:04:58 You know, there's nothing that sets them apart. There's no reason why consumers should prefer one brand over the other. So the important point here is that markets, they develop over time and they start from being new when the product and or the invention is just introduced to basically being overcrowded and being full of competitors and full of variety. And it gets to a point where you just can't make any profits. And that's basically how we go from, what's known as a blue ocean into a bloody red ocean, which is competitive. There is no profits left and I'm using here the terminology from the book Blue Ocean Strategy by Chan Kim and Renee Mauborgne, which is a great read about just how markets go from when a new value innovation is basically introduced to when it gains mass adoption. And a lot of competitors come in, a lot of suppliers come in and it becomes commonplace and abundant and profits go to zero.

Tudor Dumitrescu 00:06:08 So the first thing to know when you're starting an advertising campaign, or when you think about marketing, anything is basically to look at the stage that the market is at. And the way you do that is that you really have to listen to your competitors, listen to your customers, see the kind of advertising competitors are doing, and also how big competitors there are and how many there are, you know, if they, if you're in a market with a lot of competitors, then, um, you're in a red ocean, pretty much any issue in a market with few competitors, you're in a blue ocean. And in between, maybe we can say that you're in a pink ocean. You know, there's some competition, but not enough to basically turn it into a red ocean and actually a pink ocean is quite good for new businesses, you know, because it shows that there is demand there, you know, and at the same time, it's not so competitive that profits are zero and you can still build and scale a business in a pink ocean.

Tudor Dumitrescu 00:07:08 So it's great for new businesses. And actually here's where the concept of unique mechanism comes in. You know, so as marketers, we come into such a market into a red ocean, for example, and let's say that we're trying to sell a new weight loss pill or a weight loss supplement. And of course the weight loss market is super crowded. It's been going on for over a hundred years and people have always been interested in losing weight and they will keep on being interested in losing weight. So products do have a tendency to become commodities. You know, it's just another weight loss pill. You know, there's nothing different about it. So the, the role of advertising and the role of marketing in such situations is to basically do the opposite. You know, if, if the market is taking products towards where they become commodities, the role of advertising is to differentiate products toward to the point where they become the, they become unique with nothing like them almost.

Tudor Dumitrescu 00:08:17 So how does that happen? Well, as marketers, we cannot change the product, but what we can do is we can add a unique mechanism to it and what that means. And sometimes by the way, this is called the big idea or the hook of the promotion. It doesn't really matter how you call it, but fundamentally what it means is that it's the secret of the product that really makes it different from all the other products on the market. More specifically,

it's what allows this product to deliver the results much better than any other product out there. So, um, let's say there were dealing with a weight loss pill, and there's a, there's this one ingredient that's in it, which makes it different from everything else. So that would be an example of a unique mechanism, you know, and basically this goes back to the fundamental idea that people they're not buying a product they're buying a desire result, or an idea of how they'd like to be.

Tudor Dumitrescu 00:09:28 So, um, basically what you're doing with the unique mechanism is you're, you're tapping into people's frustrations and you basically saying, look, you tried everything to lose weight, for example, and it didn't work out because you didn't have this one unique mechanism. And so now you need to try this product because this is different. It has the unique mechanism and it's going to work for that reason. So that's basically how you can use a unique mechanism to put trust back into the market. Because what happens as the market matures is that consumer skepticism grows, all products are seen as the same. They have no reason to prefer buying your product over any other product. And what actually happens if you just advertise weight, loss pills or whatever, and you drive people to your ads, right? You get traffic to your ads and you, you just create, buy-in for the general category of the market, you know, weight, loss pills.

Tudor Dumitrescu 00:10:30 And the next thing people do is they just go on Google and they search weight loss pills, and they've already forgotten about you, and that's not what you want to happen once what you want to have happen, right? You want to capture people's attention. You want to make sure that they remember your product and that they actually end up buying your product. So using the unique mechanism is what actually leads in the opposite direction of commoditization, you know, uh, of products becoming commodities and becoming the same. The unique mechanism is what actually leads towards differentiation and ultimately profits. Because remember the, the laws of economics are quite clear if products are commodities, and if the competition is perfect, then the profits are zero. You know, nobody can make any profits. So you want to differentiation. That's, what's actually going to bring you profits. And I mean, we can look at several examples here.

Tudor Dumitrescu 00:11:33 I have two, which are top of mind. So for example, in the workout or in the fitness niche, we had a lot of programs, you know, how you can get this sexy looking body with minimal work and so on. And the audience, the market was highly saturated. So along came a program like P90X, which introduced a different unique mechanism, which was more believable than the other programs. And basically said that look, your, your muscles aren't growing because you're not using this unique mechanism, which was muscle confusion. You know, you're not using muscle confusion, which was actually a rebrand of a technique that already existed actually. And a lot of other programs are using, you know, they just rebranded this. They called it muscle confusion and off they went and P90X became a massive success. Or another example that I like to give is basically in sales programs, right?

Tudor Dumitrescu 00:12:43 So you have sales programs for organizations. They need to train their people to become better sales persons. And the field is crowded. You know, there's a lot of training organizations out there, a lot of sales programs, how are they different? You know, how can you stand out? And the answer is that you can stand out through an effective, unique mechanism. And that's what Jordan Belfort did. You know, of course, Jordan Belfort also had his positioning as a superstar salesman, which definitely helped, but his unique mechanism was also great. And his unique mechanism is actually the straight line persuasion. You know, so some of the concepts that Jordan teaches in his course, you can find elsewhere, but the one

different thing about it that you cannot find anywhere else is the metaphor of the straight line in sales. You know, that the goal of sales is to take customers on a straight line from the first interaction to where they give you their money.

Tudor Dumitrescu 00:13:50 Right? And Jordan uses the concept very effectively to basically showcase why his training and his program is entirely different. And it's different because it actually keeps you on the straight line, you know, and the straight line is the shortest distance from that initial contact to getting the sale. And it's a very powerful metaphor. It's a very powerful, unique mechanism and it caused his program to, you know, blow up and him to become famous for straight line persuasion. So, um, that's the thing, the unique mechanism really is the most important part of an advertising campaign. So I can tell you that a strong, unique mechanism, you know, if you have it, you can achieve success even with poor copy and poor copywriting. Whereas if you have great copywriting, but you have a poor, unique mechanism, then you will struggle, you know, with the best copywriting out there, if your unique mechanism, isn't strong enough, you're going to struggle.

Tudor Dumitrescu 00:14:58 And that's why it's super important. It's literally the most important thing. And the number one thing that you should spend your time working on, you know, you shouldn't spend your time, uh, wondering about the headline or about this and that. The thing that you need to wonder about most is your unique mechanism. Do you have the right unique mechanism, the unique mechanism that ties into what your product does, that's different from everything else out there, the unique mechanism that tells people why they should prefer your product over all the other options out there. And finally, the unique mechanism that, that they can trust, you know, the unique mechanism that tells them basically why they shouldn't go for any other products or why they failed when they tried other products and why they will succeed with yours. So again, spend most of your time coming up with the unique mechanism.

Tudor Dumitrescu 00:15:57 And now of course, I can already hear you asking, you know, well, how can I come up with a unique mechanism and to help you with this, I actually have a five step process. And I used this inside my agency all the time when doing client work, when engaging with a new product, when I'm starting a new promotion or a new sales funnel. So I always use the same process and it has five steps. And basically the first step is that you want to start with your customers. And basically this is this step finishes. Once you have a finished buyer persona or customer avatar. So it's known in both ways, but that's what you're going to try to build here. So you want to ask yourself who is the ideal customer for this product or service, and you want to look both into the demographics, you know, so basically the age groups, are they male or female, or both, did they go to university, their income level, that sort of information, and also more importantly the psychographics, as in what do these people like to read?

Tudor Dumitrescu 00:17:13 You know, what, who do they like to follow? What sort of content do they engage with? You know, what really makes them tick? What's their psychology. Like, you know, what sort of psychological things are they dealing with? You know, and basically you also want to look at the people who have already bought maybe your product, or maybe another similar product and ask yourself, what do they like? What don't they like? What keeps them up at night? What's what are their frustrations? What are their pain points? And another useful trick here is to basically look at how people talk about competitor products, and actually look at the language that they're using when they're not satisfied with the product, what do they say? What words do they use? Because you want to talk with your customer from the same place that the customer is at. You know, if he's using a certain language, you want to

mirror that language, because when you mirror somebody's language, that person feels understood and they feel understood on an emotional level.

Tudor Dumitrescu 00:18:24 You know, they feel that you like them. That's why you're using the same words that they're using. And you get them, you get their pain, you get their frustration, you get their desires and that builds trust. And it gets them to actually trust that you may have the right solution for them. So that's what I would say. A good technique here is to go ahead and basically look at reviews that people may be leaving about the products. You know, those are great to discover deep pain points or desires that are hidden, and that you basically don't know much about. And when you look at reviews, generally, you want to go for the, let's say that the reviews are from one to five stars. You want to look at the three star reviews most of the time. And the reason why is because generally the five star reviews, they're just people who are like, oh, this is great.

Tudor Dumitrescu 00:19:21 Whatever, you know, they're not thinking very much about the product and the one star reviews. There, there are people who are bitter, you know, and they don't think rationally. They just say, they're just bitter. You know, maybe the product was delivered late, or they just had a fight with their spouse and they're angry and they're taking it out on the product who knows, but they're going to be biased. You know, they're not going to be very accurate. Whereas the three-star reviews, they're generally from people who think a lot about the product and about the experience and they weigh both the good and the bad of it. So, um, those are very useful and you can look at other products that you find out there or your own product, even. So this sort of, um, going over reviews, checking for the customer language that they're using, their, the problems that they're having is going to help you out to come up with a strong, unique mechanism.

Tudor Dumitrescu 00:20:14 And basically you want to tie all this together and build a buyer persona, have a very clear idea of the demographics that you're dealing with, the psychographics, what keeps these people up at night? What motivates them? What sort of pain points they have once you have that you want to start by looking at the competition and that the offers that your competitors are putting out there and basically asking yourself, what's already resonating. What's already working out there. And the important thing here is that you look at competitors with a similar position to yours. And this is very important because a lot of people, they make the mistakes of basically thinking that, oh, I'm, let's say a coach. So let me look at what Tony Robbins is doing. And the truth is that what Tony Robbins is doing has nothing to do with what's going to work for you zero.

Tudor Dumitrescu 00:21:15 In fact, what Tony Robbins is doing is probably going to fail a big time for you. You know, you have no reason to look at Tony Robbins because Tony Robbins is so far ahead of where you're at now, you know, he's already has a position and the brand, which is so much stronger than your brand. So the people who look into him, they're never going to look into you. You know, they're not going to consider you because they look for different things. A lot of them look for somebody who does have that big brand, or who does have that strong position that's solidified in the market for 20, 30 years. So just looking at how Tony Robbins does, his marketing is not going to be very useful. He's not a competitor of yours. You know, he's too far ahead. So you need to look at competitors who have a similar position in the market to you.

Tudor Dumitrescu 00:22:09 Other coaches who are starting at a lower level, who don't have the brand and recognition who don't have the name recognition, what are they doing? That's actually working. That's actually responding well in the market. So check out what ads they're

running. You know, there are all sorts of softwares that really enabled you to check out and spy, basically on what ads people are running. So use that. And basically what ads are they running? What offers are they putting out there? Yeah. What are their claims? Like, how do they get to their audience? How are their claims related to what the general market is putting out there? You know, you need to start asking yourself these questions and you also need to start paying special attention to people who have been running their ads for a long time, because people who have been running for their ads for a long time in a position that similar to yours, those people are making money.

Tudor Dumitrescu 00:23:10 You know, they wouldn't be running those ads if they weren't already making money. So I can't emphasize how important this competitor research is. And it really ties in with the first step as well. Because when you look at your competitors, you also get to see what your buyers respond to, you know, the kind of language that your market resonates with and the kind of offers that are really selling out there. And that's what starts giving you an idea of the things that actually work in the real world. You don't just sit in your chair and you dream about this new product or new campaign and make it work. That's not how it happens. You need to research, you need to dig deep into your market. You need to dig deep into, what's actually working, figure out what people are doing. That's actually already making money, you know, because they're doing something well, if they're making money, that's what you want to start by looking at.

Tudor Dumitrescu 00:24:03 You know, and people always ask me for a shortcut in business, you know, how can I just be successful in business? Well, what's the shortcut. And I say, especially when it comes to marketing is check out what your competitors are doing. You know, what's working out there, how are these guys getting their customers? What are they doing that you're not, you know, and that's how you can figure it out. And that's why I said earlier that starting out in a pink market, in a pink ocean, you know, is a lot of times better than going straight for the blue ocean because creating a new blue ocean as the blue ocean strategy book, discusses is actually difficult. You know, it takes a lot of capital. It takes a lot of time. Um, there is a high risk of failure in there. Whereas if you find a pink market and you go in there and you actually look at what the competitors are doing, and you find a unique mechanism that does it better than they do, that makes you stand out.

Tudor Dumitrescu 00:25:03 You can be a lot more successful, a lot faster with a lot less risk. So it's quite a big deal, you know, and you should definitely not skip out on this competitor analysis. You can get a ton of insights out of it. And of course we mentioned looking at reviews in the previous step reviews are also helpful here. Of course, all the time. When you look at reviews, you want to take into account bias, how the reviews were obtained and all that sort of thing. So obviously the more authentic they are, the more real they are, the higher value they have in actually helping you see what's working on the market. And with regards to your competitors, those three star reviews, they will tell you what people are frustrated with when it comes to competitor products. You know, so you start to see what people are frustrated with, what the gaps are in the market and what you could actually offer to fill in those gaps.

Tudor Dumitrescu 00:25:59 And basically after you do those first two steps only then do you start looking at your own product in depth and ask yourself basically what unique needs and what's unexplored in it. And a lot of people make the mistake of starting from this step from step number three, from their product, they're obsessed about their product, best thing ever, all. Let me tell you how it's so different, but the truth is that most people's products are not different. They're not different at all. In fact, they're commodities. You know, they just want to believe that

they're different, but there's zero difference in there. You know? And I can't emphasize this enough because everybody and a lot of people, they will come to you or they will come to their friends or whatever. And they'll say, oh, I have this product. It's innovative. It's so different. It's going to change the world.

Tudor Dumitrescu 00:26:46 And that's not how it is. You know, you have to think clearly about these things. You know, you don't have to just because it's yours thing that it's the best, you know, you have to think from an objective point of view and the questions you want to ask yourself at this stage are basically, how is the product manufactured? How is it used? What makes it work? Is there a space special system that gets results? Like, are there other results behind it that makes it different and really try to identify the factors that are unique and maybe unexplored in it? You know? So let's say that you're selling beer, there's a lot of beer companies out there. So what really makes your beer different? Maybe it's the way you brew it. You know, maybe it's home brew that is beer that you brew at home. And that's why it's different from the beer that's created on the market at large, and that they can buy from other producers.

Tudor Dumitrescu 00:27:40 You know? So that's the sort of thing that you want to think about here and explore and make a list of, and all the time, you know, you keep notes, keep notes on your customers, keep notes on the competition, keep notes on your product and build those out. As you go through this process. And basically this now we're reaching step four. What you want to do in step four, you want to go over all the research that you've done and start brainstorming. You also want to go into a bit more depth in some research here. You can also go into this research at previous steps, but basically it's important that you cover and go into a lot of depth through all the materials that you have available and through all the, everything that you can research about your market. So customer testimonials, customer sales calls, you know, a lot of, for example, let's say that you are a coach.

Tudor Dumitrescu 00:28:36 A lot of times you will have calls with your clients, give those to your marketing team, let them see how you interact with the clients. What's really unique about that interaction. Customer interviews are also very powerful. If you don't have any, you can try to interview people, try to set up interviews and basically try to get it to work. And obviously go through everything that you have, the previous ads, the competitors, everything, and just make sure that everything is working out fine, that you have everything that you need. And once you have that, you can start brainstorming for your unique mechanism and brainstorming is straightforward. You do whatever comes into your mind has the possible unique mechanism for your product. And that's going to make you stand out in the market. And that's actually unique. And it's actually going to resonate with people. These would be the three criteria is it's what you want to go for.

Tudor Dumitrescu 00:29:33 And step five, after you do all this and you spend time brainstorming and so on and so forth, you want to let it go and basically stop thinking about it, relax and let some answers come to you. You know, after you've done all the work and with your conscious mind and through effort, you basically want to let go and let your unconscious start working on it and answers will come up. You know, you'll actually be surprised, try doing other things, try doing things that relax you, that put you in a relaxed frame of mind. And you're going to have these flashes, you know, things, ideas are going to flash into your mind. And when these this happens, it's very important that you actually take note of them, you know, so carry a small notebook around with you. Something that basically allows you to take note of the ideas that you have when this happens and the ideas that come from your unconscious mind after you've already put in the work.

Tudor Dumitrescu 00:30:34 And this is very important after you've put in the work, you know, because there's some people who think they're very smart and oh, let me just jump to the unconscious and let me, my unconscious come up with it. And that's not how it works. You know, you actually need to put in the work, you need to fit in your unconscious. You need to feed it, you know, with all these materials that it's later going to process to speed up the great answers to you. You know? So, um, that's why this is the final step and answers will start coming into you in a flash, basically record them, and then think about them later and pick a unique mechanism. And then after you have your unique mechanism, you can start building out the rest of your campaign, the landing pages, the ads, the funnel, and so on.

Tudor Dumitrescu 00:31:20 But the unique mechanism really is the starting point. So to review basically, because we've covered quite a lot of ground today, we started out by talking about how markets progress towards commoditization and how, uh, products are taken into the market. You know, how they're adopted. We talked about the product adoption curve and how as products are commoditized, they tend to eliminate profits. You know, we tend to go towards that stage of perfect competition where profits are zero and there's little differentiation between the products. And you basically can't make any money by advertising them. And in order to solve this problem, marketers, to basically keep their markets evergreen and make sure that profits are not annihilated, you know, marketers need to come up with differentiation and the most important factor to differentiate your product is the unique mechanism. The one thing that makes your product different from the other commodities is basically the let's say, cause behind your product, what's actually going to make your product work.

Tudor Dumitrescu 00:32:36 And obviously to come up with the unique mechanism, I shared the five step process that I use. Step number one, look at your customers. Step number two, look at the competition. Step number three, look at your own product. Step number four, review all your notes and start brainstorming. And finally, step number five. Let go, stop thinking about it, do something relaxing and let your unconscious come up with the answer. And that's basically how the process that I use and that I ask copywriters that work with me and other marketers that work inside my agency to use. And that's how we actually come up with effective unique mechanisms that work. And remember what we said, the unique mechanism truly is the most important element of your promotion, of your marketing, of your advertising. With the right unique mechanism. You can make a lot of mistakes and things are still going to work out. And the opposite is also true. If you have, if you don't have a strong, unique mechanism, then no matter what you do, it's not really going to work out. You're going to struggle. Even if you have great landing pages, great copy a superstar funnel and so on. So this is really, really important. So that's pretty much it for today's episode. So stay tuned for the next episode.

Tudor Dumitrescu 00:34:04 And until next time, keep growing your business and providing massive value to the world. Remember you are the reason why we're all growing richer. Our freedoms are expanding and we're all living in greater prosperity. See you next time.