

# Essential Concepts of AfterMarketing

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## CONCEPT #1:

It is better to be first in the prospect's mind than first in the marketplace. In the land of the blind, the one-eyed is king.

## Position In The Mind's Eye

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If you're first in sales, odds are you're first in mindshare. It usually works that way. But once a competitor earns the number one spot in distributors' minds ... watch out! A shift in market share is about to take place.

Market position comes from yesterday's sales. You can't do anything about yesterday's sales. They are what they were. However, ***your position in a prospect's mind determines future sales***. That's where the work needs to be done – in the mind...of WDs, of jobbers, of fleets, of installers.

The mind is the territory of information, ideas, feelings and passions. If you're going to stake out a claim in the mind, you'd better come equipped with at least one of the above. And it better be good.

A word of caution: More money is wasted in the aftermarket than any other human endeavor (except maybe politics) trying change minds. Don't try to change peoples' minds. ***Know what your market already believes ... and work with their beliefs***. Get their heads nodding up and down. You'll get further, faster ... for less money.

**CONCEPT #2:**

**It's better to be first than better.**

**You don't have to be faster than  
the bear, just faster than the other  
guy.**

## Recency vs. Primacy

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Level playing fields are fine for games. Today's aftermarket is more like war. In war, you look for a battlefield that's favorable, not one that's fair.

In parts and service marketing, ***the category is the battlefield***. Forget the brand and concentrate first on the category. Find a category, a market partition, where you can write the rules and grab the advantage.

Most of all make it a category where you can stake the first claim ... and defend it ... at least long enough to profit from your investment.

This is the law of recency vs. primacy. Try to remember something you've heard recently. Easy, huh? Now try to remember something you've heard that's of primary importance. Most people struggle more with that one.

Everybody is interested in what's new. That's why car models change every year. That's why consumer vehicle accessory fads come and go so rapidly. ***The market's assumption is always the same: newer is better.***

It's a lot easier (and cheaper) to get into the mind first than to convince a market that you're better than the product that got there first. And the beauty of it is, you don't have to be the first product in the store. You just have to be first in your category.

### CONCEPT #3:

It is better to focus on your own market partition than to envy somebody else's.

## The Home Court Principle

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If a competitor has already successfully entered a partition of the aftermarket, don't try to invade and take it head on. It's almost impossible, and always expensive, to change people's minds once they're made up. Likely as not, you'll just be reinforcing your competitor's position.

And forget about peaceful coexistence. ***Two brands can't own the same space in a prospect's mind.***

Let's face it. Your brand already has a court that it plays in. You may have allowed that to be your competitor's home court. Or it may be a court that the aftermarket has created for you ... either to your advantage or detriment.

Take control. Through good marketing practices, you can define, or if necessary redefine the court. (See Concept #2.)

***Focus on your own partition, remain consistent and concentrate on excluding others.*** The most powerful thing you can accomplish in the aftermarket is to own a word, a phrase, a concept (in other words, a market partition) in the prospect's mind.

Once you've identified a market partition for your brand, be prepared to execute it ruthlessly.

**CONCEPT #4:**

**“A good plan, violently executed now, is better than a perfect plan tomorrow.”**

George S. Patton

## Ruthless Execution

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The boldest stroke you can make is the one least expected by your competitor. Once you've carefully studied your competitors, the market, your own strengths and identified your market partition ... execute your strategy ruthlessly.

***When you attack, attack with everything you've got.***

Don't be timid and let a committee make your decisions. Great generals usually make rotten politicians. ***Daring ideas don't come from committees.***

It's true that you can accomplish your goal with a lousy idea and lots of money. But if you don't have lots of money, you'll need a solid concept and a frightfully insightful strategy. And you have to be prepared to execute it with a vengeance.

At times, this might even mean admitting to a weakness. Every negative thing you say about yourself will be accepted as truth. And candor can be disarming. Whenever you can turn a negative into a positive, it rings true.

Whatever your strategy may be, execute it with tireless courage. Remember, you'll get tired of a message long before the multiple levels of the aftermarket will.

## CONCEPT #5:

It is better to have a daring strategy than a precise plan. Steering a boat by looking at the wake is rarely productive.

## All Plans Are Precisely Wrong

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Nobody can foretell the future. But oh how we want to. So we put together plans based on trends. And when they come more or less true, we overconfidently try to plan more and more precisely, further and further into the future. It's a sure recipe for disaster.

***Past success leads to arrogance.*** Arrogance leads to failure. The downfall of the magician is belief in his own magic.

***The more precise a plan becomes, the more certain it is to be wrong.*** Even if you wrote your competitors' plans as well as your own, you still couldn't predict future major market moves. And the more precise you try to get, the more precisely wrong you'll be.

It isn't necessary to locate true north before you begin to march. Magnetic north will do just fine. As you move along, be prepared to make minor course corrections when the aftermarket tells you to. Don't look inward for that direction. You need objective market information.

Know where you're going, but understand your shifting and merging channels of distribution well enough to recognize when change is necessary. Then, make those changes quickly without losing your way.

**CONCEPT #6:**

**It is better to ride the tide than the wave.**

## A Wave Is Not A Tide

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A fad is a wave in the ocean. A trend is the tide. You can ride a wave or miss it entirely. If you miss a wave, let it pass. The tide, on the other hand, affects everyone.

Fads get a lot of attention because they're so easy to spot. You'll read articles about them in the trade press. Speeches are made at industry gatherings. Memos are written. They're a constant topic of conversation.

Trends will sometimes slip by unnoticed until years after they've come and gone. But it's the trends you should be watching for.

***The most dangerous (and common) error you can make in the aftermarket is to mistake a fad for a trend.*** But because trends, like the tide, rise and fall slowly, they're easy to miss. ***As soon as you realize that you've missed a trend, admit it.*** React to it. Cut your losses. It may sound like this is shying away from risks, but its just common sense.

It's okay to be a risk taker, up to a point. But your customers and associates might not agree with your vision. If you get too far out in front, you'll be dismissed as crazy. How far out in front to you really want to be when you're leading a rifle squad?

**CONCEPT #7:**

**It is better to think of alternatives  
than to take aim at the leader.**

## Reversion To Oligopoly

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Eventually, every product or service segment of the aftermarket will become a two-horse race. So it's beneficial to determine as early as possible who the two horses are likely to be. If it looks like you can't be one of them, watch for fragmentation to occur.

Markets may start out with many players competing for supremacy. ***But every market tends toward compression ... and every distribution channel toward contention.*** As soon as a market reaches critical mass, it starts to fragment. This cycle continues for the life of the market ... not just the aftermarket ... any market.

Study the two leaders carefully. What ground are they competing on? Study the market carefully. What's the most obvious market partition to split off? That's the one to concentrate on.

***When you just take aim at the leader, the leader is determining your strategy.*** It's better to position yourself around the leader and you'll take business away from all the other alternatives to the leader.

No one will ever get all the business, but there is no such thing as natural market share. Grand strategy is fine, but quickly deployed tactics can save the bacon. Remember that the short term is the *sine qua non* of the long term.

## CONCEPT #8:

It is better to invest money in attributes than to give it away cutting your price ... because you will never “make it up in volume”.

## Attributes Are Long Term

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If you promote your brand's attributes skillfully, they'll last a long time. Good thing, because it takes a lot of money to impress an attribute upon all the levels of the aftermarket.

***You don't want to choose the same attributes your competitor has chosen.*** The market will never allow it. There's an unused, equally effective attribute out there. You just have to find it.

You may have to invest money to add attributes to your product. Certainly, you'll have to invest money to tell the market about it. But both cases are better than trying to boost sales through price reductions. ***Price cutting is forever ... and there are no secrets in the aftermarket!***

Coupons, rebates or discounts are like drugs. You get addicted to them and can't stop... ask any of the car companies. When you pull sales forward, you leave a hole in the future. It might be okay in a rapidly expanding product or a market in sharp decline. Otherwise, you'll be overloading your own capacity and financing your own demise.

Attributes take a long time to create, but they build sales, they build profits and most important, they build your company's future.

**CONCEPT #9:**

**It is better to build equity than to spread equity. Only do what only you can do.**

## Brands Are Not Transitive

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When you've got a strong brand in the palm of your hand, it's oh so tempting to try to extend it to new and unrelated products or stretch it to fit unfamiliar markets or types of distribution.

Don't do it.

***Remember, there are no unserved parts or service markets in the United States.***

Somebody else is already there.

It's the attributes of the brand that make it worth what it's worth. If those attributes don't match up with the aftermarket's expectations for the product, the old brand isn't going to do the new product any good. It may even devalue the brand.

***Brand equity is the single most valuable asset most companies possess.*** It has to be built, maintained, defended and enhanced. That requires investment.

Even during hard times, there are ways to invest in your brand. If necessary, other less important things can be sacrificed. You may have to give up something to get something.

But if you concentrate on one thing and do it better than anybody else, you'll succeed. Just make sure you've chosen something that your market wants.

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