“The Pillars” Philosophy to Market and Business Planning

Created: May 22, 2004
Updated: October 2011, version 9.0
Robert Murray Management Consulting Ltd.
Table of Contents:
Introduction ............................................................................................................................................... 3
Building Your Organization’s 13 Pillars ............................................................................................... 4
Getting Started ......................................................................................................................................... 4
Pillar 1: Vision .......................................................................................................................................... 6
Pillar 2: Purpose & Mission .................................................................................................................... 12
Pillar 3: Distinctive Excellence ........................................................................................................... 13
Pillar 4: Brand .......................................................................................................................................... 15
Pillar 5: Product ......................................................................................................................................... 18
Pillar 6: Pricing ......................................................................................................................................... 28
Pillar 7: Promotion ..................................................................................................................................... 31
Pillar 8: Place ........................................................................................................................................... 33
Pillar 9: People .......................................................................................................................................... 35
Pillar 10: Partners ..................................................................................................................................... 36
Pillar 11: Processes ................................................................................................................................. 38
Pillar 12: Priorities ..................................................................................................................................... 39
Pillar 13: Proof .......................................................................................................................................... 40
Conclusion ............................................................................................................................................... 41
About Robert Murray Consulting .......................................................................................................... 42
Introduction

“The Pillars” Philosophy to Market and Business Planning

All too often organizations go to market with vision, strategy and marketing plans that are created separately and do not align with each other. Product plans created in a vacuum from the rest of the organization, promotional activity that utilizes un-scientific “spray and pray” approaches, pricing strategies that do not align with the organization’s distinctive excellence and distribution strategies that try to be all things to all people. The customer experience is often an afterthought.

It is an approach very similar to building a temple with walls and a roof without foundational pillars that stand steadfastly supporting the entire structure. The results of this approach vary from complete failure of the product or service to weak results, wasted time, money and effort, and lack of motivation and ownership from the team.

RMC believes in an integrated and aligned approach to market planning that is based on 13 Pillars or foundational supports. Pillars, that on their own, cannot support the business yet together, built in alignment with each other, these foundations will allow the rest of the business to stand solidly supported and the business ready to take on challenging markets and tough competition. The “13 Pillars Approach” examines all of the components of your business and marketing mix; not just the basics of product, price, promotion and distribution strategies. This holistic approach positions your team to stay aligned with the vision, purpose, values, brand and the overall customer experience. The results are almost always seen in higher revenue, lower cost and the highest levels of customer and employee satisfaction and loyalty.

The 13 critical “Pillars” have to be considered, developed and aligned to ensure that your business or marketing plan has the rigor and thought applied for success to withstand the and succeed in your organization’s chosen marketplace.
Building Your Organization’s 13 Pillars

Following each pillar, there is a guide to use in your own business in the form of questions or as a template to fill out. These sections can be used as a guide for you and your organization in the first steps in starting the process of building your organization’s own “Pillars of Business”.

Throughout this document, there are useful sections designed to help you through your own discovery process and apply the “13 Pillars Approach” to your business. These sections will take you through a series of questions that your business will need to answer in order to build your aligned strategic plan.

Getting Started

Data collection and discovery of the driving forces for your business is the starting point.

The “Driving Force” is the determinant for the development of a strategic vision and the subsequent strategic marketing plan that is developed. The driving force provides focus, competitive advantage, identifies key capabilities, communications, a means of unifying an organization, a source of decision-making criteria, and a means of evaluating a competitor’s strategies.

The driving force acts as a filter for growth opportunities, a guide for phasing out products, services and markets, production and operations opportunities, technology changes, sales and distribution methods, resource issues and profitability. It is a powerful tool for determining the fit of possible acquisitions, joint ventures and alliances as well as guiding decision-making when a predator proposes a takeover. The focus that comes from knowing what the Driving Force is behind strategic decisions that an organization makes, is the base foundation for a successful strategic vision and, the subsequent plan to deliver the vision.
All scenarios of strategic visioning and planning have at their roots one of the following driving forces:

- Products and Services Offered
- Markets Served
- Product Efficiency
- Operational Capability
- Method of Sale/Distribution
- Technology
- Natural Resources
- Return/Profit

The Driving Force decision needs to answer (if the organization does not already know) or align with what is the Organization’s **Distinctive Excellence - Distinctive Advantage** and what key capabilities will be required to capitalize on that distinctive advantage?

**Building your organization’s Driving Force**

The questions below can be used to guide you in defining your organization’s driving force.

1. What *exactly* is our organization about?
2. What is its unifying force?
3. What drives our forward impetus?
4. Why do customers buy from us?
5. Why do customers buy from our competitors?
6. How do we describe the central focus of our business activities?
7. What will ensure that the efforts of our organization as a whole are aligned with our purpose (Mission)?
8. What is the primary basis for determining the scope of our products and markets?
9. What is our major source of distinctive advantage?
10. What must have capabilities are the key to our success?
11. What will guide our crucial decisions on which areas should be pursued to provide growth and opportunities for new business?
12. How will we make tough decisions on allocating and deploying our valuable, yet inevitably limited resources?
13. In what ways should our culture reflect the strategic imperatives we follow?
14. How will we describe, monitor and reward human performance in light of those imperatives?

15. What are the fundamental messages that should be communicated internally & externally to make strategy implementation possible?

16. How will our various functional areas chart their own course for the future?

17. What is the strategic intent of our competitors?

18. Which “Driving Force” might they have adopted and what does this say about their basis for competitive advantage?

19. What pro-active countermeasures might we take in light of this understanding?

20. What framework will support the evolution of our strategy over the strategic time frame?

21. How will we continually renew our strategy, re-examining and confirming the alternatives we have chosen?

Pillar 1: Vision

“Begin with the end in mind” – Stephen Covey

Nothing happens without first defining a vision of what success looks like for not only the business, but also for each product and service that the organization attempts to bring to market.

The Vision sets the course for the team to steer the ship. From the vision, your team can develop delivery strategies on whether your company’s existing mix of products, services, markets and capabilities form a winning combination for the future or what changes have to be implemented to deliver on that winning future.

Vision statements that focus clearly on the customer needs in a holistic way, have strong track records for innovation. When looking at this first pillar of the approach, the organization’s leadership and management teams should answer the following question honestly:
Building a Vision
A template to begin the “create your vision” process is provided in the next section. There are areas for consideration which will help facilitate an organization in brainstorming ideas to articulate the vision.

**Sample Visioning Template - Company**

[Company Name] was founded in [insert year] and is presently in its [start-up/R&D/growth] stage. [Company Name] can best be described as currently being in the business of [industry type]. In recent times our key strengths have been [customer service/state-of-the-art technology/strong management team/innovative marketing].

Note: Take a couple of lines to elaborate on this description if you feel it is necessary.

**Products and Services**
At present our [product] is in the [design/early development/test market/mature] stage. Our current product line/service is in need of [needs extension/reorganization/upgrade/paring down].

**Market Environment**
The marketplace is undergoing rapid changes/has been stagnant for [length of time]. We are now poised to [specify a particular action or group of actions].

Note: Time factors influencing your ability to make money with current products.

**Pricing and Profitability**
Current prices are [holding/eroding/increasing] and profits are [holding/eroding/increasing].

**Customers**
Current customers are using our [insert product/service] for [specify uses]. Customers are requesting that we [make improvements/introduce a new model].

**Distribution**
We have [insert number] service centers, retailers, manufacturer's representatives, sales people working out of [insert number] offices, territories in [indicate provinces/states, countries].

**Financial Status**
Summary data from your organization’s financial statements can be plugged in below.

- Current cash available is $[insert cash available].
- Our Current Ratio is: Assets/Liabilities = [x].
Quick Ratio = \( \frac{\text{Cash} + \text{Account Receivables} + \text{Notes Receivables}}{\text{Total Current Liabilities}} \)

- Where do you want to go with the business? What do you want to be?
- What direction(s) will the company be taking?
- What do you want for yourselves (personally and financially) 5-10 years from now?
- Clearly describe your organization’s dominant driving force(s):
  - Product/service offered
  - Satisfying a market need
  - Manufacturing
  - Profit and income
  - Technology
  - Client/customer base
  - Other

- Be creative here, yet make your description believable, understandable, motivating and achievable.

**Vision (Example)**

[Company] is a highly visible company known as the best [] in the [specific industry] industry. We have developed [identify products] and marketed these products in the [identify channel] channels, becoming a/the leader in [chosen area]. Sales exceed $[x] and [Company] is actively promoting [x]. The marketplace is undergoing rapid changes/has been stagnant for [#] years. We are now poised to [specify your].

- Show how your company will fit you, your staff and your industry.
- You and your staff may want to write both your vision completely from scratch. It should also capture the spirit and uniqueness of your business and align with the next “P” which is Purpose (or Mission).
## Strategy Formulation

Developing strategies is not the rocket science that many Ivy League MBA’s would lead you to believe. Strategies are quite simply the three to seven key things that you need to achieve in order to deliver on your vision. Below, you will find sections to guide you in defining your strategy formulation.

In order for [Company] to attain its vision, the following primary strategic goals need to be achieved:

### Corporate: By [specify date], [Company] will [identify corporate goal(s)]. We will become a [x] [acquired by a large company, publicly traded company] for $[x] per share.

### Products: By [specify date], [Company] will develop [product-related goal(s)]. We expect to replace [competitive/existing products or services] by [x] % by [specify date].

### Market: By [specify date], [Company] will reach [customer-related goal(s)]. We will have an active customer base of over [x] To reach these customers we plan to add [x] (retailers, distributors, service centers) per month/year and we will have a total of [x] (retailers, distributors) by [xxxx]. We will expand our marketing efforts to the regions of [x] and generate additional revenue as high as [x] % more than current levels.

### Sales: By [specify date], [Company] will [identify sales-related goal(s)]. Our products will be prominently displayed in over [#] retail stores and influential establishments, with salespeople and consultants being knowledgeable and supportive of our products and company.

- For [specify year] total sales will exceed $[x].
- For [specify year] total sales will exceed $[x].
- For [specify year] total sales will exceed $[x].
- For [specify year] total sales will exceed $[x].

### People: This strategy needs to outline your principles around people. The culture that you want to have and the values that you will live by. This is a high level description and detail will described when determining your people objectives.

### Customers: This strategy is all about your brand with regard to your customers. Are you going to recognized for delivering the best service compared to your competitors or are you going to be recognized for the delivering the best value?

### Operations: By [identify year], [Company] will produce [operations/production-related goal(s)]. Compared to past performance of [x] [product/service name, type] in the [x] industry we intend to [x].
• Match your performance expectations to industry conditions and/or explain how and why your operation will be different.

Finance: By [specify date], [Company] will [identify finance-related goal(s)]. We will carefully evaluate and plan investments and budget expenses to generate a consistent [x] % pre-tax profit. Based on a [x] % market share for our [x] product by [xxxx], we estimate our return on investment to be [x] %.

• How much return will be generated and by when?
• Illustrate that you have planned for investors to receive their return on investment—go public in 5 years, be acquired in 4 years, dividends, etc.
• Based on intended activities, indicate how much the company will be worth in future years.
• If you have other significant financial company goals, list them.

List other major goal(s) to include:

1. Understand customers, competition and industry
2. Product/service/channel/customer congruency
3. Product/service life cycles
4. Growth by fields of interest
5. Balance people/management/business goals
6. Transition from single-point to distributed management
7. Operate at 50 vs. 15 employees
8. Develop values and culture
9. Hire the best people

We feel confident that the above goals can be reached. [x] of our managers come from environments where they experienced [x] [managing a large organization, a rapid growth high-tech development team] and [x].

Relate previous track record of managers to demonstrate feasibility of actually achieving your goals given the experience of the people involved.

After you have created the strategies that, when executed on, will deliver your vision, you must drop down a level and create the objectives that will deliver on each of the strategies. Objectives get you and your team a little closer to the “Engine Room” by laying out more manageable tactics and deliverables. Each objective must be written in the “SMART” format – ensuring that each objective is:

▪ Specific
▪ Measurable
▪ Actionable
▪ Realistic
▪ Time stamped
Optional: Depending on the depth and target audience you want to reach with this business plan, you may or may not need to include this section on the specific objectives or tactics your company will carry out to reach the strategic goals listed above.

If you do not wish to go to this level of detail, delete this section. Otherwise, obtain the required information (from your management team) and fill out the following.

During the next year in order to help attain the primary goal of [list first primary goal from above], [Company]'s organization will carry out the following specific objectives:

1. [x] by [Month], [xxx].
2. [x] by [Month], [xxxx].
3. [x] by [Month], [xxxx].

During the next year in order to help attain the primary goal of [list next goal from above], [Company]'s organization will carry out the following objectives:

1. [x] by [Month], [xxx].
2. [x] by [Month], [xxxx].
3. [x] by [Month], [xxxx].

If you want to outline the objectives for more than two of the goals listed, copy the above text for each goal.

Other objectives we have set for ourselves include [x].

- Make sure they fit with the goals set previously.
Pillar 2: Purpose & Mission

“Until thought is linked to a goal and purpose, there can be no intelligent accomplishment” – Paul G. Thomas

Every organization has a purpose, a mission, a reason for being – whether it is formally stated and recognized or not. Often the purpose is why the organization was first created. A good mission statement should accurately explain why your organization exists and what it wants to be known for in the future. It articulates the organization’s essential nature, values and its work.

New products & services should have a purpose as well. This purpose supports the organization’s mission.

A purpose statement is a brief statement that is free of “jargon” and “terms of art.” The resultant statement of purpose should be shared at every level of the organization’s stakeholders in order to ensure that it resonates with the people working hard to deliver on that purpose. It must express the organization’s purpose in a way that inspires commitment, innovation and courage.

Your organization’s purpose (mission) statement should answer these three key questions:

1. What are the opportunities or needs that we exist to address?
2. What principles, values or beliefs guide our work?

As with vision link these questions closely to the customer and their needs. Watch that the mission statement does not stifle/limit innovative strategy through tight boundaries.

Your Purpose (Mission) Statement should accomplish the following:

• Express your organization’s purpose in a way that inspires support and ongoing commitment
• Motivate those who are connected to the organization
• Be articulated in a way that is convincing and easy to grasp
• Use proactive verbs to describe what you do
• Be free of jargon
• Be short enough so that anyone connected to the organization can readily repeat it
Sample Purpose (Mission) Statement

[Company]'s Mission is to provide innovative, practical and top-quality products that [save time and improve the way people do] [specify what solution your products or services deliver]. We believe our first responsibility is to the [x] that use our products and services. Our strong financial position will enable us to [x]. In carrying out our day-to-day business we strive to:

1. Treat our employees with [x].
2. Follow the philosophy that our customers are [x].
3. Be considered as [x] in our community.

Through a long-term commitment to this mission, we will be known as a company that [x]. Our customers, vendors, and employees see [Company] as offering [x] [benefits, feelings, knowledge, results, etc.].

Pillar 3: Distinctive Excellence

“If you will not settle for anything less than your best, you will be amazed at what you can accomplish” – Vince Lombardi

Have you ever experienced driving to work, following the same route that you take each morning, day in and day out, and when you arrive at the office, you can not remember driving through one of the city’s major intersections. You start to wonder if you even went through the intersection at all.

You ask yourself all sorts of scary questions!

In business, the same experience happens to clients faced with more of the same from product or service providers. Your product or service that was created with a tremendous amount of investment and energy is reduced to a commodity; sold for the lowest price because it is not memorable.

Conversely, when was the last time that you (as an individual) were fully conscious? You remembered every detail of the experience. It may be something like your first kiss. The first time you drove a car. Maybe it was while running a marathon. Or when you stood on the peak of a mountain after a tough climb. The point is that when you are fully aware and fully conscious, you are acutely tuned into the moment, what is going on and what is making it special. A moment that triumphs over others.
This is the most forgotten pillar in an organization’s foundation. The majority of corporations in the world today with brilliant marketers in the Think Tank neglect to develop and communicate the one thing that sets them apart from all of their competitors – their distinctive excellence! The big reason that customers buy their product or service over the competition – The thing that makes the product or service memorable.

Most organizations dabble at excellence and then drift off on another tangent. One day being focused on new technology, then shifting to cutting costs or lowering their price and then off to develop the best customer service in the business. The truth is that you cannot be all things to all people and any attempt to do so, will only confuse the marketplace, your employees, your shareholders and the analysts.

Companies that focus their efforts on their distinctive excellence enjoy more success financially and stronger relationships with loyal customers. Starbucks, Westjet Airlines, Southwest Airlines, Krispy Kreme, Apple and Nike have developed a following that, at times, appears to be cult like because they have intensely focused on their true distinctive excellence and the target market became intensely attached to their offering. Along the way, those customers have become their biggest (and cheapest) form of promotional activity. Telling anyone that will listen why they love the product or service so much.

**Distinctive Advantage “Excellence” can be found from choosing which one of the three possible areas of focus for an organization.**

**Customer Intimate** organizations have become truly great at knowing their clients inside and out. To the point of being able to anticipate the needs of their customers and providing value to them that aligns with their own distinctive advantage in the marketplace. The Ritz Carlton Hotel chain has built a lucrative and thriving business on providing their customers with service individually
tailored to each guest. In doing this, they have been able to keep occupancy high while charging among the highest prices in the industry.

**Operational Efficient** organizations have become truly great at being able to provide their customers with the best price value in their market. By developing detailed processes that cover everything they do from sales to invoicing, operational efficient companies have been able to squeeze out costs from all aspects of the business. Dell Computers, Wal-Mart, Costco and McDonalds are among the world leaders in driving cost out of their business, passing those savings on to their customers and giving their customers a consistent experience anywhere in the world.

**Product Innovator** organizations have become truly great at being able to provide their customers with the latest technology in products or services. This advanced product or service edge that they deliver to their customers provides value to clients that need to have the fastest and most advanced. Product Innovator companies have huge R&D budgets and are looking to the future as product or service innovations only last as long as the next “Copy Cat” arrives on the market. Intel and Microsoft are leaders amongst the product innovator companies of the world.

---

**Pillar 4: Brand**

> “Beneath words and logic, are emotional connections that largely direct how we use our words and logic”
> 
> – Jane Roberts

Companies around the globe continue to worry about customer retention. Many have been taking steps to improve, rather than just monitor, the strength of their customer relationships. That’s because they realize that customer attrition is costly, but retention -- at least when it’s earned instead of bribed -- is quite profitable.

In order to grow, endure, and achieve long-term success, companies must also attract new customers. Since it’s impossible to retain every customer forever, organizations must regularly add new ones to the mix. Without an infusion of new customers, the brand (and the company) will eventually wither and disappear.

Marketing departments have traditionally had the task of attracting new customers. In tackling that important job, marketers have employed comprehensive communications programs, with their most
notable tool (although not always the most effective one) being TV advertising. Of course, marketers have used many other vehicles to reach out to prospects, such as event sponsorships and promotional offers or enhancements in product accessibility and visibility that include expanded distribution and enticing packaging.

The stated goal of these various efforts and activities has been to raise potential customers' awareness of the company's branded products or services and to provide prospects with a compelling reason to try those offerings. The Marketer’s assumption is usually, that once the hurdle of a trial purchase has been overcome, it's up to the products and services to perform. The product performance will then ensure customer retention.

Like most assumptions, this one seems straightforward. But it fails to address this fact: What a company must do to attract a new customer may not be the same as what it must do to keep an existing customer. (See “Promotions – Sales Cycle” for more on aligning the brand throughout customer touch points)

This assumption also places responsibility for the company's future -- and the enduring health of its precious brand assets -- in the hands of two separate and often uncoordinated departments: marketing and customer relationship management. Yet consumers don't experience brands as unrelated silos of effort, each with its separately focused brand initiatives and consumer touch points. But rather, buyers experience brands as a consistent (or, depending on the case, an inconsistent) whole.

The relationship between customer and company is, at its very foundation, emotional. And the strongest relationships are those grounded in the most passionate emotional connections.

These emotional connections are the keys to an enduringly profitable relationship between the company and the customer. Research has shown that the process of forming emotional connections doesn't begin when consumers try the brand. Instead, emotional connections start to take shape with every brand encounter that leads up to the trial purchase.

Prospects are attracted to brands that show promise of uniquely meeting a customer’s important emotional needs, not merely their rational requirements. Before prospective customers will seriously entertain purchasing and using a brand, the brand must inspire high degrees of confidence, integrity, pride, and passion.

Consumers won't buy brands in which they have no confidence. However, confidence in a brand is almost never enough to trigger a trial purchase. That's because, in most product categories, consumers have confidence in many brands, not just one. While confidence represents the foundation of a relationship, it's not a brand differentiator.

Companies that want to energize and activate a brand's prospects, must tap the deeper emotional connections of 'pride and passion.' While prospective buyers may feel that many brands demonstrate integrity, relatively few brands are able to stimulate the pangs of prospect passion. “Passion” is a brand differentiator.
Brand passion begins to take shape well before the brand is purchased; it doesn't develop overnight. What's more, research shows that this passion is never simply the result of "emotional" messages delivered through "image" advertising, packaging, or product styling and design. Yes, these marketer-controlled vehicles certainly do contribute to creating passion. Brand passion is often derived less from what the company directly controls than from what consumers hear from others (word-of-mouth "buzz") or experience through their own casual encounters with the brand (publicity) and its representatives and users ("evangelists" or "sneezers").

While it takes pride and passion to lure a new customer, it takes confidence and integrity to keep them coming back. Passion can bring new customers in the door, but a long-term relationship can't be maintained unless the brand proves its ability to deliver consistently on its core, differentiating brand promise (Distinctive Excellence). Slip-ups may be tolerated, given sufficiently strong brand passion. But these performance hiccups must be rare rather than frequent, or the new and carefully woven relationship fabric will unravel. This is the main reason why Vision, Purpose, Mission, Distinctive Excellence, Brand, Promotions, Product, People, Partners, Processes must all align to avoid any organizational confusion about what you are attempting to achieve in the marketplace.

Companies have often aimed their customer acquisition efforts at prospects that are defined by their demography (for example, age, gender, or income) or their current behaviour (such as heaviness or frequency of product use). These same companies have supported their attempts to entice new customers through a range of activities designed to reduce the cost or difficulty of switching (for example, by giving consumers coupons, discounts, or rebates).

If an emotional connection is truly the key to an enduring customer relationship, companies should not be targeting consumers based on their demography or lifestyle. Rather, they should focus their efforts on a coordinated approach to aligning the brand with the vision, mission and distinctive excellence as well as with all the functional groups within the company. Every employee at every level should be able to champion the Brand, why it is important to the overall prospect / customer relationship and how they can deliver it personally.

That's the road to a brand relationship, not just to a transaction.
Pillar 5: Product

“I think technology advertising will have to stop addressing how products are made and concentrate more on what a product will do for the consumer” – Jay Chirt

Per Sun Tzu's 'The Art of War,' as our product we must choose our competitors and the playing field carefully. Go where the competitors are not. Be first. Avoid "me too" products and competitors. If a similar product exists, can our product be superior in its functionality, presentation or marketing?

“Product” is the first “P” in the traditional marketing “4 P’s.” Many businesses make fatal mistakes in regards to this pillar in that they focus too much attention to the product and forget to align the product or service with the their vision, purpose, distinctive excellence and brand. Additionally, many businesses fail to focus their product or service on the customer experience – choosing instead to passionately pour all their effort into something that they feel will “create” a market demand.

The following section on Product (and product can be interchanged for “service”), is designed to focus your organization onto the product as a means of delivering what your customers want and to align the product with the rest of the “Pillars”.

<table>
<thead>
<tr>
<th>Current Product Questions</th>
</tr>
</thead>
<tbody>
<tr>
<td>• What are the characteristics of your product or service?</td>
</tr>
<tr>
<td>• Describe how your product works or how the service is used?</td>
</tr>
<tr>
<td>• How has your product or service evolved over the past two years?</td>
</tr>
<tr>
<td>• How does the product align with the Brand identity?</td>
</tr>
</tbody>
</table>

[Company] currently offers [#] products: [list of products or services].

[Identify principal product], our principal product, consists of [identify key value]. Overall our existing product line is [give status]. Development of [new products, existing product upgrades, spin-off products] is in progress and future products are planned.
The first product developed by [Company] is called [product 1], and was introduced in [identify year] in order to [product’s purpose]. Since then, we introduced [product 2] in [identify year], and then [brief history of your product line up to today].

**Proprietary Technology**

Our products are protected under the following:

- Patents, copyrights, trademarks, etc.

For our [x] technology/capability we have [licensing, royalty] with [x] as follows: [give general terms of agreements].

**Return on Investment**

For most customers, [product] will pay for itself in terms of [x] within [x] months, because of [x].

ROI possibilities include:

- Fewer rejects or breakdowns
- Faster turnover of inventory
- Improved efficiency
- Improved convenience
- Lower warranty costs
- Advantages of a better-quality end product
- Advantages in costs savings in other areas

Regarding cost savings; [product] will save our customers money in terms of [x].

- Reduced labour costs, lowered reject rate, reduced downtime, lowered inventory costs, improved convenience and displaced employee activity.

Our customers can generate more profits in terms of [x].

- Heightened productivity, improved product performance, increased capacity and concentrating on their own business.

For [Company] our [product/product line] has shown, and is showing, a positive return on the investment that has been made. [Product/product line] has shown a [x] % ROI during the last [period], based on net profits divided by the total investment made.

**Useful Features/Benefits**

- How do they differ from similar products or services?
- What customer reactions may be anticipated due to these characteristics?
- Explain how you will satisfy customer needs and wants.
All products from [Company] have [particular characteristics unique to your company]. The capability for [x] is a particularly unique feature enjoyed by [Company] and our customers.

These combined capabilities provide [specific customer benefits]. This, in turn, can be used for [more specific customer benefits].

- Benefits could include: entertainment, improved appearance, better health, overload reduction, stress relief, reduced project time.

[Product 1] provides [features] that [specific customer benefits].

[Product 2] provides [features] that [specific customer benefits].

In addition, [x].

**Why customers will buy from you**

- Prove that sales will be made.
- Prove that you can convince people to buy.
- Quantify where possible.

[Product] is an extremely [x], requiring [x]. For example: one of [Product] s features is its ability to [x].

[Product] allows users to [x].

[x] is another powerful feature. This includes [x]. [x] saves a tremendous amount of time when [x].

Compared to traditional [x], [product] is approximately [x].

In addition, [product] does not require [x].

- Describe the major unique value-added characteristic your product line/process provides to the customer and how this translates to a competitive advantage for your company.

The major benefits of the combination of all [Company] products are improved [x] through [x], and [x].

**Product Life Cycles**

- Explain life cycle of product/service. Is it in the introduction, growth, maturity or decline stage
- For increased understanding, it is recommended that you create a simple chart covering the life cycles of your products/services.
- Where are your products on this chart? If several products are in different life cycle positions, indicate each separately.
- Describe the time factors influencing your ability to make money, and the effects of economic cycles. Include contingencies.

- What conclusions do you draw from the life cycle positions? Are they up to date? Are there any early warnings of obsolescence?
The life cycle for [product line] can best be described as follows: [describe life cycle position].

[Product 1], due to our recent efforts to [x], is in a strong position. We feel that for the next [period] it will continue to [x] and generate profits at or above expected levels.

[Product 2] will need to be [improved / upgraded] within [x] [months/years] in order to insure that it does not move into its decline stage.

Overall, we conclude that our products will continue to be viable in the marketplace during the next [x] [months/years] and that [Company]'s future planning and product-related activities will insure a strong market presence.

**Research and Development**

Much of the time and effort at [Company] during the past [#] [year/period] has been spent on research and [product/process] development. During [specify year] [Company] spent approximately [x] % of sales revenues on R&D. Our plans for [specify year] and beyond call for an [increase/decrease] in R&D spending to [x] % of sales.

[Company] is regularly examining roles that new products will play in the growth of the company. In order to promote the speed and effectiveness of our future new product development efforts, [Company] management is committed to the following: [list your commitments].

- New product development commitments by management could include: beefing up the R&D staff, reorganizing to empower development team(s), placing a bigger emphasis on training, better market research, more formal product selection criteria, providing upgraded resources, raising quality standards.

These commitments will span over a period of [x] [months/years] and cost in the range of $[x].

**Testing**

[x] Products listed in the current product section have been tested for ability to be manufactured and are [currently ready, will be ready] by [x] to market.

Based on our pilot production experience with [product], the following tasks/operations were tested to validate feasibility of manufacturing:

<table>
<thead>
<tr>
<th>Task/Operation (Sample)</th>
<th>% of Time</th>
</tr>
</thead>
<tbody>
<tr>
<td>Product technology and methods</td>
<td>x%</td>
</tr>
<tr>
<td>Key parts and vendors</td>
<td>x%</td>
</tr>
<tr>
<td>Processing sequence and repeatability</td>
<td>x%</td>
</tr>
<tr>
<td>Capital equipment and vendors</td>
<td>x%</td>
</tr>
<tr>
<td>Specifications and control measures</td>
<td>x%</td>
</tr>
<tr>
<td>Production lead-time and volume standards</td>
<td>x%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>
Pilot testing indicates standard unit production will be [x] hours per [x] units. Processes have been validated to ensure optimally cost-effective, quality output. Final tests were successful with regard to [all, most, etc.] evaluation criteria. Results are available if need-to-know is indicated for proprietary information. Testing was conducted during the period [x] through [x] using [x] facilities.

Volume testing will be accomplished by [x].

**How this will be accomplished and when**

- Use milestone chart to indicate ramp-up tasks, resources, and milestones.
- Specify equipment, facilities, labour, etc., required in terms of quantity, number, and cost.

The following product/process requires additional pilot testing prior to volume testing: [list or otherwise indicate].

These products are expected to be ready for market over the following [x] [month/yr] period: [x], [x], and [example; when other products are generating sufficient cash flow to support additional product development].

**Product Selection Criteria**

- Describe how and why your company arrives at its product development decisions.
- Factors that should be covered in your selection criteria include: financial benefit to company, relatively low investment requirements, positive return on investment, fit with present strategy, feasible to develop and produce, relatively low risk, time to see intended results.

Because marketing is [our single largest/a large] expense and it is where [most/much] of our effort is applied, focus on our customer is a very important criteria. The idea is to keep our customers forever by continually offering them a valuable product or service, thereby diminishing our costs of reaching and appealing to them. Wise product selection is therefore critical to [Company]’s success.

We at [Company] realize that the cost of development projects is getting increasingly expensive. To assure the best possible product decisions we have implemented the following criteria for evaluating and selecting projects:

- Include any of the following criteria that apply to your situation, or add your own.
- Can you meet the needs of the customer and solve a specific problem?

[Company] provides products to assist customers with [x]. Our [x] products help reduce time, effort and expense by [x] %, and easily retail for $[x] – $[x] each.

- Can your product be implemented using off-the-shelf parts?

[Company] can implement product or service using [off-the-shelf parts].
What is the size of your potential reachable market?

[Company] will investigate how many people are likely to use or benefit from the [x] products. We use market research to estimate the numbers of potential customers, and how many we can reach.

Do we have to comply with new laws or government programs?

New laws or government programs that may impact our product are [x]. [Company] will comply with these regulations by [x].

Can we adapt to or capitalize upon needs/business concepts?

Would it make sense to add the product to our catalogue; to send product literature to our existing customer base?

[Company] will add new [product or service] to our [product line, catalogue, product literature] to address a new opportunities in [x].

Planned Products

[Company] plans to continually develop new products and enhance existing products. In response to demonstrated needs of our market, new products or services being developed in the near future include [x], [x], and [x].

Additional concepts/plans for follow-on [next generation] products include [x].

- Discuss plans for your next generation of products/services.
- Discuss add-on services for future customer needs.

[New product 1] development [will begin/has begun] on [specify date], and will require the following resources [staffing, materials, tooling, capital equipment, technology, new processes]. The targeted release of [new product 1] is for [month], [year].

[New product 2] development [will begin/has begun] on [specify date], and will require the following resources [staffing, materials, tooling, capital equipment, technology, new processes]. The targeted release of [new product 2] is for [specify date].

If you feel it would be beneficial, add details of your development plans, including milestone dates, for each of the new products mentioned above.
Exhibits

- If pertinent, include drawings of the product to be manufactured or a detailed description of the service to be offered.
- Include tests made, the data and results, if available.
- Show a master Pert chart of product plans.

For additional details, the following product-related documents are included in supporting documents. [List of documents.]

Production and Delivery

- Description of the proposed organizational location, make vs. buy, facilities, and logistics.
- Emphasis must be on the productive use of capital, labour, and material resources, manufacturing processes, vendor relations, experience and distribution requirements. Statements are needed which indicate initial volume and expansion requirements as well as product/process complexity, uniqueness, and costs.

Production

The process used to produce [product] begins with [full description].

Key factors in the [manufacturing/service delivery] process are [x].

Raw/prefabricated materials, components, and subassemblies required for production are [x].

- List and describe capital equipment, material, and labour requirements.
- Are prices negotiable?
- Are the above items readily available?
- List quality/technical specifications.
- List Inventory requirements.
- Identify hazardous materials or other significant safety factors.

Our key suppliers

[List your key suppliers here]

- Are alternate sources/materials available?

Costs

We take advantage of economies of scale by [x].

- Quantity discounts, package deals.
- Indicate resource capacity and expected utilization over time, any installation and maintenance costs, and vendor availability, if applicable.
- Describe the business by listing production rates, capacity constraints, or required quality assurance and safety programs.

In comparison to other companies, [Company]'s products are [reproduced/completed] quickly and economically by [how process/techniques accomplish this].

Comparative analysis shows these figures to be [x].

- Higher, lower, or in line with competitors?

This is due to the fact that [x], our overall costs will remain [x].

Questions to ask your organization

- Are your products more efficiently produced (due to manufacturing costs, energy savings, leaner management)?
- Is your product of better quality?
- Is your quality control program more thorough?
- Are parts made in-house or subcontracted?
- What new tooling is required for production and what are the estimated costs?
- Quality control (Investors will want to know that warranty costs will be identified and reasonable).

At [Company] we will [fabricate, assemble, subcontract, etc.] the following [key parts, components, subassemblies, etc.]:

- List parts, etc., with vendors, lead-time, costs, etc.

**Facilities**

The manufacturing facility [is/will] be located in [identify location].

This location [provide/will provide] needed space for [initial/current] production and expansion to meet projected demand over the next [periods]. Our current production capacity, including internal and external production, is [x] units per [week/month/year].

Due to anticipated increases in demand up to [x] units per [week/month/year], additional facilities will be needed by [specify date]. Selection of the future site includes the following considerations:

- Room and cost for expansion
- Land and construction costs
- Transportation cost and route access common carrier, company owned, pooling agreement with [x] freight forwarders
- Risks and insurance
- Packaging and material costs and availability (suppliers?)
- Labour pool availability, skills, costs
- Local ordinances, licensing, and permit requirements
- Government assistance (roads, training, exemptions, etc.)
- Government restrictions and requirements
- Community attitudes toward business and manufacturing
- Continued operating costs (utilities, communications, etc.)

The acquisition cost for land and improvements is $[x] which will be allocated in [#] increments over a period of [#] years. [Company] already owns/has access to/requires [x].

Within our facility, an efficient production process hinges on proper layout of [x].

- It may be helpful to include a layout of proposed plant and manufacturing flow chart in supporting documents.

Equipment will be deployed as follows:

- List equipment, number, capacity, space requirements cost, etc.
- Provide rough illustrations of equipment layout and process flow diagrams. This equipment is used in the processes as described and configured above to ensure yield, lead-time, and costs are sufficient to provide projected gross margin.

Additional questions:

- Where will distribution centers be located?
- What packaging and handling equipment will be used and who will supply it?
- What special equipment, if any, will be needed? i.e., trucks, tractors, etc.
- Will warehouses be used? If so, where and what size? What inventory levels will be carried?
- Equipment? Labour? Competition?

**Packaging and Transportation**

These last steps in the manufacturing process are important in establishing the desired image to the consumer.

Of the standard packaging treatments available, the best choice for [Company]'s needs is [custom boxes, bubble pack, shrink wrap, poly bags]. And, since this is a readily available process, considerable savings can be made.

[Type of packaging] is more widely used, but in order to convey a unique selling image/position we [are considering/will begin/have begun] using [another type].

Our competitors use [type of packaging] as well, but by using distinctive graphics, [photos included in Supporting Documents] our unique identity will be maintained.

**Product Fulfillment**
[Company] utilizes [our x group/an external resource named x] to monitor and manage the delivery, billing, repair, warranty and repair of our products to ensure customer satisfaction and repeat sales.

To improve on operating efficiencies, we plan to use [x] fulfillment company. Their facility is "state of the art" and their customer record is excellent. We can avoid hiring more employees, expanding our telephone and computer systems as well as save on shipping costs.

During the past [#] of [months/years] this [group/vendor] has demonstrated outstanding abilities to [x]. Their capacity is expected to be sufficient to handle our fulfillment needs for the next [x] years.

Transportation will be [truck/train/air cargo].

- How does your product ultimately reach your customer?
- How many steps are involved?
- Which is the weakest link, and how will you address that?
- If using your own fleets, will the vehicles receive same graphics quality as the product itself?
- Is this the same method your competitors use?
- How do your packaging and transportation costs look in comparison to the competition?

**Shipping Terms**

Since 19[xx] [Company] has managed its shipping department as a profit center. [Company] products are shipped to our [distributors/end-users] via [F.O.B./F.O.B Delivered/F.O.B. Buyers Factory/Other]. We use the following as our primary carriers:

- Ground: [x]
- Second Day: [x]
- Overnight: [x]

During the last [period] we have taken advantage of several discount programs, including [x] to lower our average shipping cost by [x] %. Future volume increases will allow us to take advantage of the following discounts, [list potential discounts], thus further lowering our average shipping cost.

Other unique services provided by our shipping department include: [List services.]
Pillar 6: Pricing

```
Precious beyond price are good resolutions. Valuable beyond price are good feelings.```

- H.R. Haweis

This might be the shortest section in this paper on “The Pillars” philosophy to market and business planning, but must may be one of the most important. Pricing strategies are never for the faint of heart. The most important point in pricing to remember is align your pricing strategy with the rest of your foundational pillars. We recommend that your pricing strategy is developed late in your planning so that you can insure that you are aligning with the all the other foundational pillars.

There are many ways to price a product. Let's have a look at some of them and try to understand the best policy / strategy in various situations.
Premium Pricing

Use a high price where there is uniqueness about the product or service. This approach is used where a substantial competitive advantage exists. Such high prices are charge for luxuries such as Canard Cruises, Ritz Hotel rooms, and the former Concorde flights.

Penetration Pricing

The price charged for products and services is set artificially low in order to gain market share. Once this is achieved, the price is increased. This approach was used by France Telecom in order to attract new corporate clients. The strategy can be dangerous in that if the existing client relationship is not solid, you could face a customer revolt with increased prices.

Economy Pricing

This is a no frills low price. The cost of marketing and manufacture are kept at a minimum. Supermarkets often have economy brands for soups, spaghetti, etc.

Price Skimming

Charge a high price because you have a substantial competitive advantage. However, the advantage is not sustainable. The high price tends to attract new competitors into the market, and the price inevitably falls due to increased supply. Manufacturers of digital watches used a skimming approach in the 1970s. Once other manufacturers were tempted into the market and the watches were produced at a lower unit cost, other marketing strategies and pricing approaches are implemented.

Premium pricing, penetration pricing, economy pricing, and price skimming are the four main pricing policies/strategies. They form the basis for the exercise. However there are other important approaches to pricing.

Psychological Pricing

This approach is used when the marketer wants the consumer to respond on an emotional, rather than rational basis. For example 'price point perspective' 99 cents not one dollar.

Product Line Pricing

Where there is a range of product or services the pricing reflect the benefits of parts of the range. For example car washes. Basic wash could be $2; wash and wax $4 and the whole package $6.

Optional Product Pricing

Companies will attempt to increase the amount customer spend once they start to buy. Optional 'extras' increase the overall price of the product or service. For example airlines will charge for optional extras such as guaranteeing a window seat or reserving a row of seats next to each other.
Captive Product Pricing

Where products have complements, companies will charge a premium price where the consumer is captured. For example a razor manufacturer will charge a low price and recoup its margin (and more) from the sale of the only design of blades which fit the razor.

Product Bundle Pricing

Here sellers combine several products in the same package. This also serves to move old stock. Videos and CDs are often sold using the bundle approach.

Promotional Pricing

Pricing to promote a product is a very common application. There are many examples of promotional pricing including approaches such as BOGOF (Buy One Get One Free).

Geographical Pricing

Geographical pricing is evident where there are variations in price in different parts of the world. For example rarity value, or where shipping costs increase price.

Value Pricing

This approach is used where external factors such as recession or increased competition force companies to provide 'value' products and services to retain sales e.g. value meals at McDonalds.
Pillar 7: Promotion

```
Advertising is the most fun you can have with your clothes on.`` - Bill Cosby

As with an organization’s Distinctive Excellence, you cannot be all things to all people with your promotional activity. Companies routinely and needlessly waste millions of dollars every year on a “Spray and Pray” approach to promotion and advertising. Utilizing mass media that does not reach the target audience. Developing creative and deploying communications that is based on the wants and likes of the ones paying the bills and not on the one intended to hear the message.

RMC believes in a very strategic, almost surgical approach to promotions. Getting the most out your promotions budget which systematically moves prospects closer to purchasing and ultimately, creating “Sneezers” (Viral Marketing) in the process. This method will save you time, effort and money.

It starts with analyzing how prospects will potentially move through the sales cycle and design a program to speed up that process.

The sales cycle is based on an eight-step model based on the fact that a prospect will always move through the sales process one step at a time. Promotional activity needs to mirror the prospects behaviour.

For example, it is next to impossible to take a prospect from being totally unaware of your organization’s product or service to being a stark raving apostle about your organization based on one advertising communication.
RMC’s Sales Cycle

1. Unaware
2. Aware
3. Interested
4. Research
5. Trial Purchase
   - Use - Shared
   - Use - Preferred
   - Use - Exclusive

Promotional activity needs to be geared at first taking a prospect from **Unaware** to **Aware** of your company and your product or service. After a prospect is aware, we move them to the next phase of **Interest** where they are actively checking out features and benefits. Next, we need to move them to **Research** where prospects are asking about pricing and how to use the product or service.

Most organizations will make another huge promotional mistake next when a prospect moves to a **Trial Purchase** and the company then stops efforts to promote ongoing, and lasting customer loyalty. It has been said many times that it costs 6 times more money to get a prospect from **Unaware** to **Trial Purchase** than it does to create on-going repeat business and customer loyalty.

Additionally, programs designed at Customers in the **Use – Shared, Use -Preferred and Use - Exclusive** phases, have been proven to generate 300% more in bottom line return than customers doing a **Trial Purchase**.

Customers in the **Use – Exclusive Phase** of the sales cycle, then become your cheapest and best form of promotion by telling everyone that will listen about the value that your organization delivers. We call them “Sneezers.”

The problem in most organizations is that two separate groups are responsible for acquiring customers and keeping customers. Sales and Marketing departments traditionally focus on acquisition and Customer Service focuses on retention. All too often the methods, tools and budgets are not in alignment with each other or with the organization’s strategic plan.

The list of promotional methods and techniques is long and the very reason that that there exists thousands of advertising firms and media options for communicating your value proposition. Organizations that exist solely for you to spend money in a “Spray and Pray” approach to promotional activity.

Research has indicated that the process of forming emotional connections doesn’t begin when customers try the brand. Instead, emotional connections start to take shape with every brand encounter that leads up to Trial Purchase.

Prospects are attracted to brands that show promise of uniquely meeting their important emotional needs, not merely their rational requirements. Before prospective customers will seriously entertain a
trial purchase and using of your brand, the brand must inspire high degrees of confidence, integrity, pride and passion.

Clients won’t buy brands in which they have no confidence. However, confidence in a brand is almost never enough to trigger a Trial Purchase. That is because, in most product categories, prospects have confidence in many brands - not just one. While confidence represents the foundation of a relationship, it is not a brand differentiator.

Establishing a brand relationship that energizes and activates a prospect to trial purchase is going to require tapping into the deeper emotions of pride and passion. While prospective clients may feel that many brands demonstrate integrity, relatively few brands are able to stimulate passion. Passion will be the brand differentiator.

As mentioned in the section on Brand, it would be very useful to have some prospective customers help in the development of this stage through experiencing the web as a promotional tool and feeding their suggestions back.

### Pillar 8: Place

```
"If poetry should address itself to the same needs and aspirations, the same hopes and fears, to which the bible addresses itself, it might rival it in distribution" - Wallace Stevens
```

This pillar refers to how an organization will distribute the product or service they are offering to the end user. The organization must distribute the product to the user at the right place at the right time. Efficient and effective distribution is important if the organization is to meet its overall marketing objectives. If an organization underestimates demand and customers cannot purchase products because of it profitability will be affected.

**What channel of distribution will they use?**

Two types of channel of distribution methods are available. Indirect distribution involves distributing your product by the use of an intermediary. Direct distribution involves distributing direct from a manufacturer to the consumer e.g. for example Dell Computers. Clearly direct distribution gives a manufacturer complete control over their product.
**Distribution Strategies**

Depending on the type of product being distributed there are three common distribution strategies available:

1. Intensive distribution: Used commonly to distribute low priced or impulse purchase products e.g. chocolates, soft drinks.

2. Exclusive distribution: Involves limiting distribution to a single outlet. The product is usually highly priced, and requires the intermediary to place much detail in its sell. An example of would be the sale of vehicles through exclusive dealers.

3. Selective Distribution: A small number of retail outlets are chosen to distribute the product. Selective distribution is common with products such as computers, televisions household appliances, where consumers are willing to shop around and where manufacturers want a large geographical spread.

If a manufacturer decides to adopt an exclusive or selective strategy they should select an intermediary which has experience of handling similar products, credible and is known by the target audience.
Pillar 9: People

```
It is good to rub and polish our brain against that of others`` – Michel De Montaigne

People strategies for the acquiring, training and on going development of an organization’s employees are almost always an after thought for most companies. Rarely do you find an organization with a solid people plan that aligns with the rest of foundational pillars.

Highflying companies like Southwest Airlines, JetBlue, WestJet Airlines (all three interesting enough, with David Neeleman involved at one time or another), Virgin Atlantic, The Gap, Disney, Nordstrom’s, Ritz Carlton Hotels, Earl’s Restaurants, Krispy Kreme and Harley Davidson, just to name a few, have discovered that their brand experience and distinctive excellence are all due to the extreme rigor that they place on the acquisition and retention of their people.

Your people plan must also have critical elements of upfront and ongoing communications baked into everything you do. Your employees are and will be, acquired for special skills, attitudes and intellectual capital that they bring to the table. Beyond the compensation that they will receive in return for those attributes, your employees want to perform at their best and create a strong and lasting business for you.

**Employees need and want to know what their roles and responsibilities will be.** They will want to know when they do their appointed jobs, how they create value for the business. Your team should be intimately knowledgeable with the Vision, Mission, Distinctive Excellence, Brand Promise and Strategies to achieve all of that. They should be able to recite in their sleep what the Customer Experience is going to be. Your team should know exactly how they are tracking to those plans, what corrective action you are planning on taking and what is the next priority.

Do not skimp on communications. You trusted your employees enough to hire them in the first place. Trust them to have everything they need to know to make your business successful.

Equally important to a performance management process is the development and implementation of a reward and recognition strategy. Rewarding and recognizing team members who have gone above and beyond the call of duty reinforces behaviours that you want to foster. As Ken Blanchard, author of The One Minute Manager says, “Catch people doing things right.”
Staff

Line employees include [x]. Staff employees include [x].

- List current and required number of people and their skills.
- How will they be recruited?
- Who will hire them? Manage them?
- How will they be “On-boarded”?
- Do you have a Mentoring system set-up?
- How and when will they be trained and developed?
- What procedures and measures of effectiveness and productivity do you need?
- What performance planning processes do you have in place?
- Do you have a formal Reward and Recognition program?
- Do you have a formal career mapping program?

Pillar 10: Partners

```
When a match has equal partners, then I fear not```
- Aeschylus

Just as organizations pay little importance to a people strategy, partner strategies are also highly neglected. Even organizations with outstanding people strategies, have been seen to neglect their partner strategy.

It is always a prudent strategy, where possible, to off-load the fixed costs of permanent employees and replace those costs with the variable costs of a contract labour force. The danger that lies in this strategy is that often a partner’s business model does not align with your organization’s business model. This is why a majority of organizations forego the cost savings benefit of a partner for the control provided by their own workforce.
Any partner is a direct extension of your brand. Your customers and the marketplace will not see it any other way. If your business model is trying to provide a brand and customer experience that makes it easy for clients to deal with you and your partner is trying to cut costs, the brand experience is in danger of not being delivered.

It doesn’t have to be that way.

A partner plan that approaches acquiring and developing partners with the same rigor of a people plan will also insure that you create a seamless connection with customers using both your own employees and partners.

A case in point is the Marriott Hotel Chain. Marriott uses partners to fulfill literally every aspect of the customer experience. In any given Marriott Hotel, the only full time Marriott employees may be only found behind the scenes in the administration office. The parking valets, doormen, concierge, front desk, housekeeping, restaurant and maintenance staff could all be partners. Yet the Marriott Hotel chain has one of the most revered brands and customer experience reputations in the hospitality business.

As with the people plan, your partner plan needs to contain critical elements for not only acquisition and development but also for on going performance management, governance and communications.

Failure by a partner to deliver on your vision, purpose, strategies, distinctive excellence, brand and customer experience, will be seen by the marketplace exactly the same way that they would should it be your own employee. Damage to the brand and potential regulatory, civil or criminal discipline are the potential results. Partners strategies for the acquiring, training and on going development of an partner’s employees are almost always not considered for most companies. Rarely do you find an organization with a solid partner plan that aligns with the rest of foundational pillars.
Pillar 11: Processes

```
I don't know if it's a sign of all the chaos that is happening out there or not, but I've lately craved the structure and order of classical music, the balance and symmetry`` - Helen Reddy

The key to creating replicable brand and customer experiences is developing and implementing end-to-end processes for everything your company does.

Process development is not for the faint of heart. They are typically wrought with detail - for most organizations the feeling is that process development will be something they will do when they get time.

One approach that we have seen produce great results around process design for replicable experience delivery is a “Moments of Truth” inspection. The “Moments of Truth Approach” analyzes each and every customer touch point from advertising, sales contact, web site, service providers, product delivery, partners, customer care, invoicing, etc. and determines what the experience is that you want delivered. Once the experience to be delivered is determined, you set about writing processes, systems, procedures, structure and scripts to ensure that the experience is delivered consistently and as planned.

Processes and scripting is also an important step to ensuring that people and partners adhere to the customer experience delivery model and have the boundaries for empowered decisions. With the appropriate processes and scripts in place, governance and customer satisfaction measurement can be easily monitored against the brand and customer experience envisioned.
Pillar 12: Priorities

```
Priority is a function of context`` - Stephen Covey

Are you doing too much? How will you know?

We have worked with numerous organizations (one in particular that has an annual revenue of $70 Billion U.S. and over 50,000 employees) that had so many projects on the books and tremendous pressure to deliver on each and every project that they become stuck, paralyzed almost, because they do not know where to start.

Every organization in the world has the ability to develop strategic plans but only 3% on average actually execute fully on their plans. For the majority that fail to execute, the root problem has been found to be:

- Lack of developing roles and responsibilities for team members
- Lack of communication with their key stakeholders
- Lack of creating a project plan for each step in the strategic plan
- Lack of prioritization
- Lack of focus on execution
- Lack of measurement
- Lack of inspection or governance of the plan execution

The pillar approach, on the surface, can leave you with a feeling of having a lot to do in a very short period of time in order to be successful. The approach was designed to ensure that every aspect of your business is aligned and that the team is all rowing in the same direction. The approach was also designed to align with your Strategic Plan. If you were to go back and look at your key strategies, you should see that all of your company’s key strategies all align with all the pillars.
Pillar 13: Proof

```
One accurate measurement is worth a thousand expert opinions``
Admiral Grace Hopper

The final pillar in the Pillars philosophy to market and business planning is no less important than the first. As with the brand and customer experience and the supporting processes to deliver the experience, “Proof” (or measurement) needs to be developed to ensure that the experience is being delivered as envisioned and scripted.

Most organizations believe that the proof lies in their monthly financial statements, customer satisfaction surveys and employee surveys.

But in reality, proof is much bigger than that. “What gets measured gets done” – to steal an old cliché. There should be measures in place to ensure that each and every pillar in the “Pillars” philosophy is rolling out as planned:

• Each stage in the sales cycle is working as planned
• Customers acquisition is tracked – that is, how did each new customer discover your company
• The customer experience is as planned
• The brand experience is as planned
• Internal and external communications are received as planned
• Sales Targets are being hit
• Revenue is tracking as planned
• Costs are tracking as planned
• Client satisfaction is the final measure of it all working

Proof development is never an afterthought. When each new strategy, each new process and each new project is developed, they should never be launched without the measure of proof also developed to ensure that it is working.

Next comes to habit formation of inspection by the Chief Executive Officer of each step in the strategic plan using the proof measures established to keep the entire organization (including) partners focused and on track.
Proof Drives Focus - Lack of focus from people and partners is not only a symptom of lack of priorities but mostly from a lack of governance from the senior leadership. Proof measures allow the senior leadership to impress upon the team what is important and what needs their focus.

Conclusion

Are you doing too much? How will you know?

Throughout the more than 25 years and more than 12 countries that we have worked in with various organizations that are in different stages of growth and profitability, we have one common denominator to the reason for their lack of results and subsequent improvement. Lack of focus on the basic pillars of business development.

We have sat in front of countless executives with various credentials from the world’s top business schools and after listening to their problem and explaining the solution to put them back onto the road to results, have heard them reply; “It seems way too simple!” Perhaps you had the same thoughts after reading this paper.

The painful truth in business though is that we generally over-complicate things. We forget that it is people that deliver the results we seek. Although people are one of the few appreciating assets in business, they are subject to various levels of performance, engagement and results. To make it easier for them to deliver the best possible outcomes, they need to understand the whole picture from where are we going, what, why, when to how it all fits together. Without that, they will do what they think is the right way. This results in an organization going in multiple directions, wasting valuable resources and delivering less than expected.

The 13 Pillar Approach presents the basic foundational requirements that people inherently need to see the big picture and then execute on in one seamless direction. This approach has been discovered, laid-out, tested, executed upon and validated in organizations all over the world with one common result – Performance Improvement.

The Pillar Approach is not for the faint of heart. Only the most disciplined of leaders are capable of delivering the model due to the focus required from the day-to-day distractions that attack us from all directions.
About Robert Murray Management Consulting Ltd.

Robert Murray management Consulting Ltd. (RMC) is a proven and respected organization for clients to achieve revenue growth. Our role extends from defining strategy, through to guiding the execution of the strategic plan, to fully taking functional responsibility in an executive capacity.

RMC addresses the key problems facing developing and established businesses alike; “How to capture a market with reduced risk.” Typically, businesses struggle with this problem for years before getting it right, or failing. In many businesses, this may include multiple changes of sales leaders, sales teams, the “go to market” strategy and even the brand. The cost to the business associated with poor strategic execution often leads to refinancing and, can even result in loss of shareholder confidence or the demise of the entire business.

RMC’s proven models and methodologies dramatically change the risk profile to a business in executing on their overall strategic plan or their functional sales and operational plans. To achieve success, the customer must be motivated to accept and stick to changes in behaviours and standards. In many cases, this level of rigor proves too hard. One of the ways the RMC approach solves this problem is by creating a separate entity (either in actuality or in theory), with one mission; Make Sales and Retain the Customer! Its focus is not blurred by worrying about operational or creative issues, which often consumes the energy of business.

Using RMC’s models and methodology, we have achieved:

- 400% growth, year over year, in a developing company
- A large corporate business turn around where a 4% market share disadvantage was changed into a 14% market share lead 18 months – A market share turn around worth $180 Million USD.

RMC’s team has a proven track record of business excellence with over 25 years experience in more than 12 different countries worldwide with organizations such as BC Tel, TELUS, WestJet, Connex, Vodafone, The Jimmy Pattisson Group, Heineken, British American Tobacco, Faronics, Deloitte and many more.