

## The One Day Focusing Strategy Session.

### Objective.

While the ultimate objective of a Ries & Ries consulting program is to develop a visual hammer for your brand, that's not the place to start.

Almost every brand is too broad in scope to lend itself to a visual. Most brands have too many features, too many benefits and appeal to too many market segments.

How can you develop a visual hammer for a brand like Chevrolet which has 18 different models, including sedans, trucks, SUVs and sports cars?

You can't. You first need to focus the brand.



### Focus.

Most marketing consultants have no coherent strategy themselves. They are perfectly willing to tell you what to do, but they seldom take their own advice. We do.

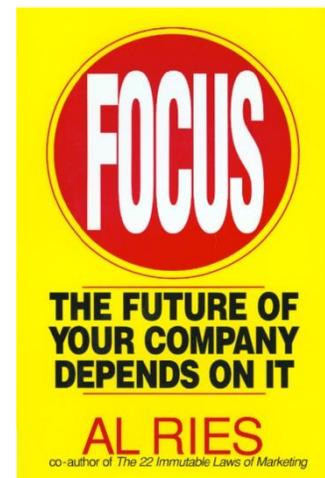
Our approach is called "Focus," the subject of a book we wrote 20 years ago.

We call ourselves "focusing consultants" and we help clients build or refocus their companies around a singular idea. If you study successful companies in the past, that's exactly what they did.

Dell . . . . . Computers sold direct to business.

Zappos . . . Free shipping. Both ways.

FedEx . . . Overnight delivery.



## One-day session.

Why does Ries & Ries conduct one-day sessions when most marketing consultants work on a 30-day or 60-day cycle?

Most companies don't need a consultant to generate a lot of facts, opinions, ideas and concepts, all packaged in an expensive binder.

Most companies already have more information than any one person can absorb.

That's exactly why we conduct one-day sessions. On a single day we can keep the group focused on a single issue. There's not enough time to cover a lot of secondary problems.

Both Al Ries and Laura Ries will personally conduct the session. We also do international consulting assignments in partnership with affiliates in Germany, Austria, China, Mexico and Spain.



## Category.

Every brand needs two names: A brand name and a category name. Marketing people often overlook the opportunity to create a new category. Yet many brands owe their success to this strategy.

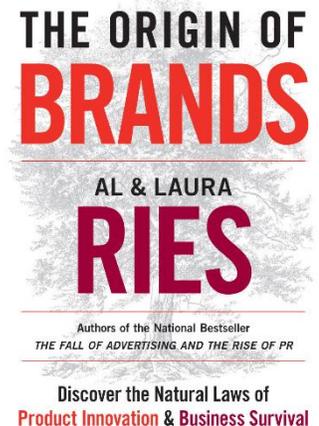
Chobani . . . The first Greek yogurt.

Red Bull . . . The first energy drink.

Activia . . . . The first probiotic yogurt.

In our book, "The Origin of Brands," we explain how divergence is creating endless opportunities to create new categories. The first companies to launch new brands to exploit these new categories will likely become the long-time winners.

That's what Apple has done with the iPod, the iPhone and the iPad.



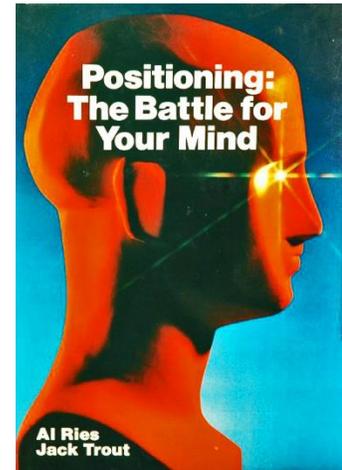
## Verbal nail.

Al Ries wrote “Positioning: The Battle for Your Mind,” the book that revolutionized the field of marketing. The concept: Own a word in the mind.

In today’s overcommunicated society, that’s not nearly enough. Words are weak and don’t have the emotional power of visuals.

But this is the more important point. While the visual hammer is more powerful than the verbal nail, the place to start is with the verbal. Not the visual.

It’s like building a house. The hammer is just a tool. It’s the nails that hold the house together. It’s the verbal nail that holds the brand together. You need to determine what nail to use before selecting your visual hammer.



## Visual hammer.

When you combine a verbal nail with a visual hammer, you can build a brand that can be exceptionally powerful. Some examples.

Marlboro, Masculine cigarette & the cowboy.

Coca-Cola, The real thing & the contour bottle.

Tropicana, Not from concentrate & the straw-in-the-orange.

Visual Hammer, a new book by Laura Ries, explains the 10 different ways to create a visual that can hammer your verbal concept.

Our philosophy is simple: never settle for just a verbal approach. Rather, try to find the right combination of a visual hammer and a verbal nail.



## Battlecry.

Every brand needs one more thing. The verbal nail needs to be converted into a memorable slogan as outlined in Laura Ries' soon to be published book "Battlecry." Some examples.

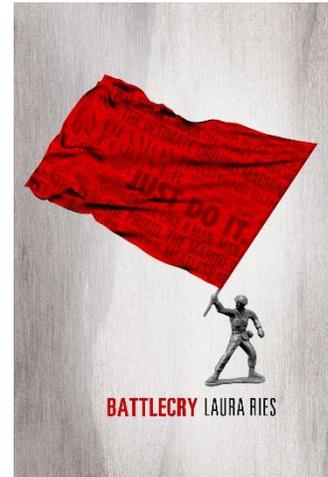
Ace Hardware: Ace is the place with the helpful hardware man.

M&Ms: Melts in your mouth, not in your hands.

BMW: The ultimate driving machine.

How do you convert an ordinary slogan into a memorable battlecry?

There are five techniques you could use: Rhyme, alliteration, repetition, reversals and double-entendre.



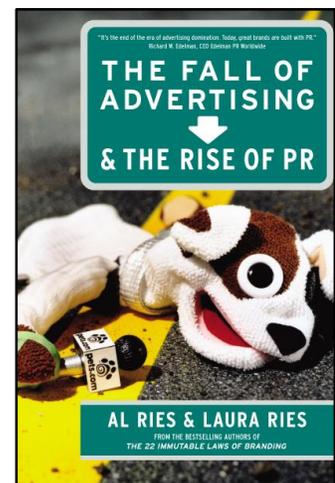
## What else?

In addition to developing an overall visual/verbal strategy, our consulting sessions include discussions about executing the strategy.

For example, it's usually a mistake to try to put a new idea into prospects' minds with advertising. Advertising doesn't have the credibility to do that. Rather, a company should use PR, or public relations, to establish the position. At some point in time the company can switch to advertising to maintain that position.

PR first, advertising second is what we recommend in our book, "The Fall of Advertising & the Rise of PR."

But PR is just one of the ways to execute a new strategy.

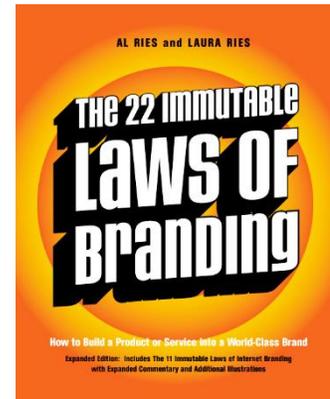


## Other recommendations.

There are many other ways to build strong brands. Packaging, trademarks, distribution, pricing, websites, social media. These and other issues will also be explored during the one-day consulting session.

Our branding philosophy is outlined in our book, “The 22 Immutable Laws of Branding.”

The book covers such issues as the use of second brands, the shape and color of logotypes, techniques for online branding and other issues often overlooked by marketing people.



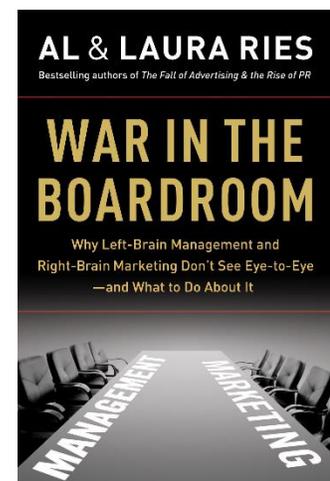
## Who should attend?

We suggest the entire top-management team (up to 8 or 10 people) attend the session. Every company has people who literally think differently, as explained in our book, “War in the Boardroom.”

There are right brainers (visual, intuitive, holistic) and there are left brainers (verbal, logical, analytical.) In other words, free thinkers and button-down practical types. Both types should attend the consulting session.

One of the purposes of a strategy session is to assure that everyone participates in developing the company’s visual/verbal strategy and that everyone enthusiastically supports the strategy that is developed.

If at the end of the day everyone doesn’t agree on the proposed strategy, then Ries & Ries will have failed in its duties.



## Written report.

A week or so after the session is completed, Ries & Ries will send the client an eight to ten-page report summarizing the recommendations made at the consulting session.

In addition, at no additional charge, we are always available via phone or email to answer any questions you might have.

Laura Ries . . . [Laura@Ries.com](mailto:Laura@Ries.com).

Al Ries . . . . . [Al@Ries.com](mailto:Al@Ries.com).

**Consulting  
report.**

**RIES & RIES**

## Pricing.

We offer sessions held in your offices or here in Atlanta.

Please email Laura to schedule a time to discuss your project.



**Some Recent clients include:**



## About Ries & Ries

Al Ries & his daughter Laura Ries have been working together as focusing consultants for 18 years. Ries & Ries was founded in New York in 1994. Three years later, Al & Laura relocated to Atlanta, Georgia. But the Ries team spends most of its time of the road consulting with top corporations around the world from Microsoft to Ford, Disney, Merck and Frito-Lay.

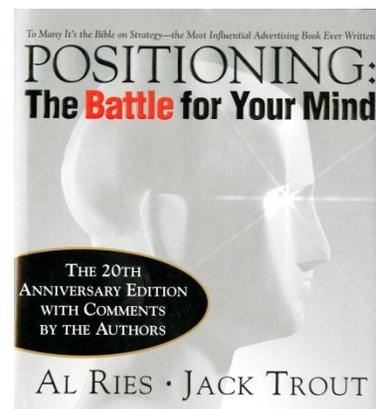
The dynamic duo and bestselling authors have been profiled by Business Week, Marketing News, Advertising Age, The Wall Street Journal, Atlanta Journal-Constitution, and countless other publications.

Al first rose to fame when a series of three articles on a new concept called “Positioning” authored by Al Ries & Jack Trout appeared in Advertising Age in 1972. The positioning idea took the ad world by storm and was voted by AdAge as one of the 75 most important advertising ideas of the past 75 years.

In 1981, the **Positioning** book was published and has since sold well over 1 million copies. The book has sold over 400,000 in China alone. The two authors also wrote **Marketing Warfare**, **Bottom-Up Marketing**, **Horse Sense** and **The 22 Immutable Laws of Marketing**.

More recently, Al & Laura have written six books together and have continued to rattle the establishment by breaking with traditional conventions. Ries & Ries books include:

**Focus:** The future of your company depends on it. This book outlines the core concept of Ries & Ries. Without a focus, it’s almost impossible to build a brand no matter what other laws you follow.



**The 22 Immutable Laws of Branding.** This book covers every aspect of branding from the name to the category, from expansion to contraction, from the use of PR and advertising, to the shape and color of logotypes. Known as the Branding Bible.

**The 11 Immutable Laws of Internet Branding.** This book supplements the 22 laws by adding 11 additional laws that cover the special needs of Internet brands like interactivity, proper names and divergence.

**The Fall of Advertising & the Rise of PR.** This book contradicts traditional wisdom that calls for new brands to be launched with a big-bang advertising campaign. PR first to establish credibility, advertising second to maintain market share.

**The Origin of Brands.** Divergence, an idea borrowed from Charles Darwin's Origin of Species, creates endless opportunities to build new brands. Every brand needs to evolve, but new brands should take advantage of divergence to create new categories.

**War in the Boardroom.** Management people tend to be left brainers: Verbal, logical and analytic. Marketing people tend to be right brainers: Visual, intuitive, holistic. This book helps both sides better understand each other by explaining how each views critical marketing concepts. Narrow line vs. full-line. Different products vs. better products. First minder vs. first mover. Marketing sense vs. common sense.

**Visual Hammer.** The critical missing piece in most marketing programs is a powerful visual that can drive a brand into the mind. This book outlines the steps a brand needs to take to develop a visual hammer.

**Battlecry.** To turn an ordinary slogan into a powerful battlecry, there are five techniques you can use: Rhyme, alliteration, repetition, reversal and double-entendre. A diamond will live forever and so can a powerful battlecry.

## Ries Client Case Studies.





**BOMGAR: The small company.**

The small company is Bomgar, but that wasn't the name of the company when we first started working for them.

The original name was Network Streaming, an Internet company located in Ridgeland, Mississippi, supplying remote support for computer networks.

The founder and CEO of Network Streaming is Joel Bomgaars, an entrepreneur in his twenties who started the company in college.

Network Streaming's three major competitors, LogMeIn, Citrix and Webex were much larger and more established than our client.

## An orange rectangular bar containing the words "NETWORK STREAMING" in white, uppercase, sans-serif font.





1. Change the name from Network Streaming to Bomgaars Corp.
2. Bomgaars.com was not available so Bomgar.com was used instead. (And Joel Bomgaars changed his name to Joel Bomgar.)
3. Focus the brand on a unique feature, the appliance box.
4. Focus on the enterprise market, not small and medium-size businesses.



The orange appliance box became the visual hammer for Bomgar brand. The battlecry: The box that's revolutionizing remote support.

By 2012, Bomgar had achieved its primary goal, to become the leader in the enterprise market with more than \$28 million in revenues. Total revenues for that year were \$38 million.

1. Bomgar . . . **\$28,795,749**
2. LogMeIn . . . \$24,984,000
3. WebEx . . . . \$23,233,264
4. Citrix . . . . . \$23,200,000



A message from Joel Bomgar in the year 2012: “When you first met with us in January of 2007, we had just finished doing \$5.7M in revenue in 2006. We did \$32M in 2011 and are on track to do \$38M in 2012. You are a very big part of that revenue growth!!!”

Joel Bomgar is now moving into politics. He sold a majority share of his company to a private equity firm, but kept a minority share and remains chairman of Bomgar Corp.





## Everest: The startup.

The startup was founded by Mark Duffy who had a great idea. He wanted to build the first nationwide funeral-planning service.

The first problem was the name. What should he call his service without using such turn-off words like “death” or “funeral?”

The second problem was the visual. What visual trademark should he use without such turn-off illustrations like cemetery monuments?





We solved both problems by using a double-entendre, Everest, a word that can be pronounced two ways:

1. Ever rest, a euphemism for death and
3. Everest, the world's highest mountain.

The mountain became the visual hammer for Everest. And the battlecry was being first in the new category of funeral concierge.

After a decade of work, Everest funeral planning and concierge service now has more than 25 million participants.





**Great Wall Motors: The large company.**

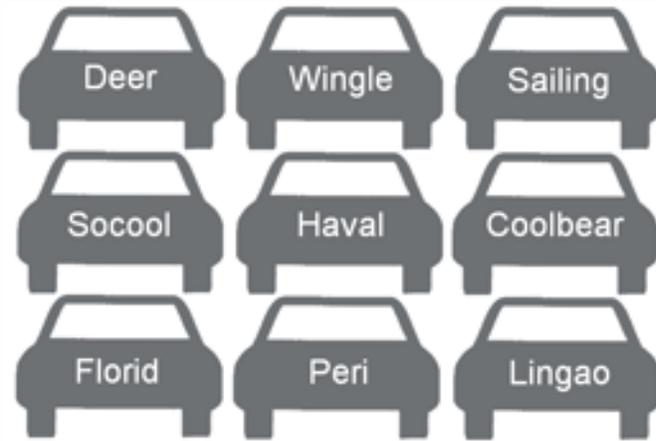
The large company is Great Wall Motor, one of five large Chinese automobile companies, including Chery, JAC, Geely and BYD.

We started working for Great Wall Motor in the year 2009 in conjunction with Ries China, our affiliate in Shanghai.

Great Wall, like many other Chinese automobile companies was making a full line of vehicles: Minivans, sedans, trucks and SUVs.



Even worse, Great Wall was marketing nine different models.



Focus the entire company on one model, Haval, the company's SUV vehicle.

This was a long-term recommendation because Great Wall had production facilities and dealer commitments that needed to be phased out. Currently, 80 percent of Great Wall's production is Haval SUVs.

A typical Haval advertisement with the slogan: "Haval: The leader in economical SUVs under 100,000 RMB." (About \$14,000.)



So why did we recommend SUVs when Chinese research showed that most customers preferred sedans because they were more prestigious? We figured that the other Chinese automobile companies would focus their resources on sedans, leaving Great Wall with the opportunity to dominate the SUV category, which they eventually did.



Chinese customers preferred sedans because they were more prestigious.



Chinese customers thought SUVs were practical vehicles with no social status.

Four years later, Great Wall Motors became the most-profitable Chinese automobile company. Its profits that year were greater than the total profits of the other four large Chinese automobile companies.

<b>CHERY</b> \$137 million	<b>JAC</b> \$146 million
<b>Great Wall</b> \$1.3 billion	<b>BYD</b> \$127 million
<b>GEELY</b> \$438 million	

**Companies/ Industries**  
July 29 - August 4, 2013

## This Great Wall Is Built on SUVs

► Great Wall Motor's founder wants to create China's first global car brand  
► "If there are one or two automakers able to survive... in the next decades or so, Great Wall will"

Wang Jianwei spent last summer sweating through a month of military drills—everything from maroon runs to rigorous calisthenics—conducted by Chinese People's Liberation Army instructors. But Wang isn't a soldier; he's a researcher at Great Wall Motor. The training program is a creation of Great Wall, run by founder, **Wang Jianwei**, who has built China's biggest maker of SUVs with a leadership style that stands out for its emphasis on discipline and fragility usually more common to the military.

Training isn't the only area where Great Wall marches to a different drummer. Big Chinese rivals such as FAW Group and SAIC Motor often team up with foreign automakers, including Volkswagen and General Motors, to bring their models to affluent Chinese drivers' taste. But under Wei, Great Wall has mostly developed homegrown products on its own aimed at China's masses. That allows it to operate without splitting profits or enduring the extra bureaucracy of joint ventures.

The 51-storied strategy has worked handily for Great Wall's investors: Its stock has surged more than sixty-fold since a low in 2008. That ramp has

made Wei the wealthiest executive in Asia, with a fortune of \$6.3 billion and a grand plan to create China's first global automotive brand. "I don't pay much attention to share prices," says Wei. "I care more about the real business."

Car experts take the entrepreneur seriously. "If there are one or two automakers able to survive all the competition with foreign rivals in the next decade or so, Great Wall will definitely be one of them," says Bill Russo, formerly vice president of Chrysler Northeast Asia and now president of automotive consultant Synergistics in Beijing. He says the company could become the next Hyundai Motor, which has grown from a modest maker of cheap cars into a full-line global manufacturer.

Wei has begun bolstering Great Wall's research capability to develop the sophisticated engine and propulsion components he'll need to become a player outside China. He wants double sales to 1.5 million vehicles by 2015. His longer-term goal: to outsell

Chrysler Group's Jeep brand globally. Great Wall lacks the revenue bulk of many major rivals because its cars are far cheaper: Its Haval H5 SUV costs \$2,800 a year (\$22,414), a fourth the cost of an Audi Q5 built in China. But the SUV specialist's low costs in part because of cheaper plant equipment and minimal research and development in the past—have given it rich operating margins that beat even lucrative outlets such as Fiat's Ferrari sports car unit. Great Wall will probably lead all automakers' margins globally this year, at a 24 percent, says Max Warburton, an analyst at Sanford C. Bernstein.

The company's net income had been expected to rise 24 percent, to 7 billion yuan, this year after surging 66 percent in 2012, according to an average of 61 analyst estimates compiled by Bloomberg. But the company on July 25 told those investors its stock exchange that net profit for the first half of 2013 rose 73 percent on strong sales and expanding margins.

Wei, born in Baoding in 1964, says he was greatly influenced by his father, an artillery soldier who went on to make bodies. After several factory jobs, Wei took over a small car modification business at age 26 and renamed it into a van maker. He shifted focus to pickup trucks after seeing their popularity in Thailand. Small-business owners and farmers favored Great Wall's Deer, making it China's most popular pickup by 1998. Then antipollution laws limited truck use in major cities, prompting Wei to switch to SUVs. Today, SUVs make up nearly half of Great Wall's sales—and for the 10th year it's poised to lead China's crowded SUV market. In the auto industry's fastest-growing segment.

Russo recalls that during a trip Wei made to Chrysler's headquarters in 2008, he was asked by Thomas LaBorde, then Chrysler's chief executive officer, why Great Wall didn't join

Chinese carmakers in showcasing vehicles at the Detroit auto show. Wei replied the company wasn't ready, Russo says. "They don't try to overcook," he says. Wang Fengqing, Wei's top sales chief since he recruited her in 1999, is further evidence of Great Wall's unconventional. Both her age—she was yet 21 then—and gender were unusual for a Chinese manager. Wang, now 42, says she doesn't slip away from Weiing but he's her "wrong." "We argue all the time," Wang says. "Our goals are the same, so we can always find common ground."

Wang says five years ago she opposed the rollout of the Chevrolet Cobalt compact endorsed by Wei. He overruled her—only to see the car flop after buyers found it too small and pricey. The debacle is engraved in red on Great Wall's two "Builders of Shame" in Baoding, one for major product failures, and the other identifies four officials who've been jailed for accepting bribes.

Wei has other eccentricities, according to Zhang Yun, an outsider who's advised him for five years on marketing. The billionaire is so frugal he smokes 10-year-old Zhongnanshai cigarettes. He once scolded some dealers for leaving too much food after a meal. He sleeps most nights in a room next to his office.

Then there's Wei's discipline. Rather than the touchy-feel leadership exercises espoused by some management gurus, Great Wall makes recruits and those receiving promotions endure marching drills, push-ups, and hours standing together in the hot sun. The idea is to build endurance, increase willpower, and develop the team spirit that compels employees to push harder for the company's success. "I have gone to other factories in China, and when it's time for lunch everybody runs to the cafeteria at the same time," says Russo. "They don't do that at Great Wall."

Chinese carmakers are a decade away from delivering their first globally competitive vehicle, Warburton says. But that's only one or two product cycles in the auto industry. Great Wall's 110 drives well, he says, yet suffers from "really awful" vibrations in its gearbox and poor braking. But the newer H5 model shows a "massive leap forward" in quality, according to Warburton.

Wei acknowledges that Great Wall's ability to develop better, and likely

pricier, technology will determine its future. "We have to own core technologies and make breakthroughs," he says. "The biggest risk we're facing is possible complacency." —Felix Kling, with Michael Wei

The bottom line: Great Wall Motor, China No. 1 SUV maker, has operating margins of 16 percent. That's the highest of any carmaker.

As all that strength has not taken good on itself 22  
Every report has made a major cheer 23  
Charles Ross talks to Bloomberg's Steve Delaney 25

Change in China car sales after 2008

Year	Sales (Million)
2008	~1.0
2009	~1.2
2010	~1.5
2011	~1.8
2012	~2.2
2013	~2.8

"This Great Wall was built on SUVs" was the headline of a BusinessWeek article, July 25, 2013. In four years, Great Wall sales were up 5.1 times. Great Wall profits were up 8.6 times. Great Wall stock was up 12.3 times.