The 22 immutable laws of marketing

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Domain: Positioning

In 1993, Al Ries and Jack Trout presented their 22 immutable laws of marketing, which they based on their years of experience in the world of marketing. These laws relate to different aspects of marketing, but mainly to brand positioning. They explain the success, and with that the failure, of brands and products. Marketing professionals should, in the view of Ries and Trout, stick to these laws. Or in their words: 'Violate them at your own risk'.

The following provides brief outlines of each of these laws:

1. *The law of leadership*: 'It is better to be first than it is to be better'. This law states that being the best in a category is less important than being the first. According to Ries & Trout, the number one in a category is more likely to stick in consumers' minds than followers trying to convince consumers their product is better than that of the competition.
2. *The law of the category*: 'If you can't be first in a category, set up a new category you can be first in'. In the US beer market, Heineken became a great success after positioning itself as a high-priced import beer, a new category. Competitors Anheuser-Busch even followed suit with the launch of Michelob, its own more expensive beer, albeit brewed in the US. Heineken and Anheuser-Busch created their own new (sub-) category, in which they both were the first.
3. *The law of the mind*: 'It's better to be first in the mind than to be first in the marketplace'. Marketing is all about being the first to create a mind share in consumers' minds. Being the first to market with a product can be important, as long as it also leads to being the first into consumers' minds.
4. *The law of perception*: 'Marketing is not a battle of products, it's a battle of perceptions'. There is no such thing as the best or the worst product. It is all about managing consumers' perceptions. That is the only reality. The rest is illusion.
5. *The law of focus*: 'The most powerful concept in marketing is owning a word in the prospect's mind'. The most successful companies or brands have generally managed to plant a certain word in consumers' minds. In the case

of car maker Volvo that word is ‘safety’, and Coca-Cola has affiliated itself with the word ‘enjoy’.

6. *The law of exclusivity*: 'Two companies cannot own the same word in the prospect’s mind'. Although at one point, car brand Renault had more models with the highest NCAP safety rating than Volvo, it is virtually impossible for Renault to also claim the concept 'safety', simply because Volvo had already beaten them to it.
7. *The law of the ladder*: 'The strategy to use depends on which rung you occupy on the ladder'. A number two brand should never try to claim the number 1 spot in the market, but instead try to fully exploit its second spot. A well-known example of the latter is provided by Avis, which during the 1960s actively positioned itself as the world’s second car rental firm. They positioned themselves as the rental firm that has to prove itself time and time again in relation to the market number 1, Hertz.

8. *The law of duality*: 'In the long run, every market becomes a two-horse race'. The battle for market share will in the end always lead to two major players dominating the market. When judging a brand’s possibilities of survival, this law should be taken into account at an early stage. Examples of famous two-horse races are Coke vs. Pepsi, Burger King vs. McDonald’s and Kodak vs. Fuji.
9. *The law of the opposite*: 'If you’re shooting for second place, your strategy is determined by the market leader'. For a brand to really have some significance in the market, it needs to understand the market leader’s raison d’être, and subsequently offer customers the opposite. In other words, don’t simply try to be better, but try to be different from the market leader. Pepsi, for example, positioned itself as ‘The Choice of a New Generation’, offsetting itself against the established brand (Coca-Cola).
10. *The law of division*: 'Over time, a category will divide and become two or more categories'. The field of competition can be seen as an ever expanding sea of new product categories. Each category generally starts out as a so-called single entity. The computer market, for example, initially only consisted of computers. This market was subsequently split up into one for mainframes and minicomputers. And at a later stage in the development of computers, yet more market segments arose, including the one for PCs. Marketing professionals should always take this phenomenon into account, and adequately anticipate the emergence of new sub-segments.
11. *The law of perspective*: 'Marketing effects take place over an extended period of time'. This law states that when projecting the effects of a marketing strategy, one should look beyond the next quarter or even year. The effects

of marketing often don't show right away, but need time. Sales promotions can indeed generate additional revenue in the short term, but prove to have negative effects in the long term (namely because consumers are conditioned to always buy certain products with a discount.)

12. *The law of line extension*: 'There's an irresistible pressure to extend the equity of the brand'. Managers are subject to a natural drive to always extend successful brands with new products. Ries & Trout point out that serious thought has to go into the introduction of an extension, seeing as extensions can also erode the built brand value. A brand can, after all, easily get diluted in the minds of consumers if it is slapped on (too) many products.
13. *The law of sacrifice*: 'You have to give up something in order to get something'. This law is the opposite of the previous one. For a company to be successful, it will have to sacrifice certain things. After all, it is, as stated in one of the previous laws, all about creating a certain mind share in consumers. A company could, instead of considering to launch a product extension, contemplate scrapping certain products, in order to ensure brand differentiation that is clear to consumers.
14. *The law of attributes*: 'For every attribute, there is an opposite effective attribute'. In order to be successful, there is no need to copy the market leader. Many brand managers go for similar propositions, while they should be competing on other aspects. A fitting example is the raft of positioning statements in the toothpaste industry. There are, for example, toothpastes with teeth-whitening attributes, with a nicer taste, breath-freshening qualities and/or that tackle caries. All similar products (i.e. toothpaste), with different positioning.
15. *The law of candour*: 'When you admit a negative, the prospect will give you a positive'. This law says that it can indeed be a positive thing to share something negative (or honest) about yourself, instead of always emitting positive messages. This can prove beneficial as such a message will inspire consumer confidence. But that does require the possibility of giving the negative message a positive spin. Jam maker Smucker's, for example, does this through the following claim: 'with a name like Smucker's it has to be good'. Smucker's brand manager could have changed that awkward name, but instead chose to use it to poke fun at itself. Smucker's is still the market leader in the US.
16. *The law of singularity*: 'In each situation, only one move will produce substantial results'. In order to be able to successfully combat competitors, it is always better to land one bold blow instead of hedging your bets by pursuing several simultaneous strategies. This was, for example, the principle fol-

lowed by the allied forces when plotting a way of beating the Germans, and choosing to take a huge chance by invading Normandy.

17. *The law of unpredictability*: 'Unless you write your competitor's plans, you can't predict the future'. Drawing up strategies and marketing plans is fine as long as they are only used as rough guides. Policy making on the basis of detailed future plans is, in the eyes of Ries & Trout, doomed to fail. Managers cannot look too far ahead, simply because disruptive inventions and developments can pop up at any time.
18. *The law of success*: 'Success often leads to arrogance, and arrogance to failure'. In competition, arrogance is the worst trait a company can have. When a brand has achieved a certain level of success at some point, and only listens to the wishes of a select group of customers, that will prove fatal in the long run. Managers should always keep a critical attitude, and continuously stay on their toes with regards to new market developments.
19. *The law of failure*: 'Failure is to be expected and accepted'. This law stresses the importance of early admitting of errors, and acting accordingly. When at an early stage, a company cottons on to the fact that a new product will not be the success they had hoped for, it should have the guts to drop it. In practice, these kinds of products that are doomed to fail are often persevered with, only leading to mounting losses.
20. *The law of hype*: 'The situation is often the opposite of the way it appears in the press'. When companies or brands are doing well, they generally don't use the press to create rumours. But when things are not going so well, a little PR and buzz is more than welcome. It is therefore no surprise that consumers have the feeling that a brand is actually doing well when it appears in the media a lot, where in actual fact, things are the other way round. Bear this in mind when devising a competitive strategy, and refrain from jumping on bandwagons of hype when this is not strictly necessary.
21. *The law of acceleration*: 'Successful programs are not built on fads, they're built on trends'. A fad is a short-term phenomenon that can bring in quick profits and revenue. But a fad should never be mistaken for a (long-term) trend. Anticipating a trend offers a possibility of long-term profit generation. It goes without saying that successful marketing is based on trends and not on hypes or fads.
22. *The law of resources*: 'Without adequate funding, an idea won't get off the ground'. This law emphasizes the importance of sound financial resources for the materialization from an idea into a product. Many entrepreneurs work on the basis that a good idea needs little marketing support to be successful. Reality is not quite like that. It is about creating a mind share in consumers, and this takes considerable investment, both in terms of time and money.

Reference(s)

Ries, A., Trout, J. (1993), The 22 immutable laws of marketing. Harper Collins Publishers, London, U.K. *

* : Available in the EURIB library.