

SO WHAT?

How to Communicate What Really Matters to Your Audience

MARK MAGNACCA

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Publishing as FT Press
Upper Saddle River, New Jersey 07458

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Printed in the United States of America

First Printing May 2009

ISBN-10: 0-13-715826-2

ISBN-13: 978-0-13-715826-3

Pearson Education LTD.
Pearson Education Australia PTY, Limited.
Pearson Education Singapore, Pte. Ltd.
Pearson Education North Asia, Ltd.
Pearson Education Canada, Ltd.
Pearson Educación de Mexico, S.A. de C.V.
Pearson Education—Japan
Pearson Education Malaysia, Pte. Ltd.

*Library of Congress Cataloging-in-Publication
Data*

Magnacca, Mark, 1969-

So what : how to communicate what really matters to your audience / Mark Magnacca.
-- 1st ed.

p. cm.

ISBN 978-0-13-715826-3 (hardback : alk. paper) 1. Business communication. 2. Interpersonal communication. I. Title. HF5718.M34 2009 808.5'1--dc22

2008054619

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FOREWORD

You are holding in your hands a book that offers you a new way of thinking, which will make you indispensable in any economic environment. It is also a book where the concepts and principles have already been proven and tested.

Mark called me some ten years ago after reading my book, *Inspire Any Audience*, and said, “I want you to be my coach.” I love, as he does, coaching those who want to win, who want to experience more, and who want to expand their value. Year after year, I’ve seen him study the subject of presenting and become one of the best presentation coaches I know.

Mark has a unique ability to coach and present in a way that makes the application of tools and techniques intuitive. In fact, of all the people I’ve coached over the last 25 years—more than 1,000 people, who include presidents of Wal-Mart, Sam’s Club, Samsung, Ford, EDS, and Shell—there has been no one quite like Mark. One of the great joys of being a coach is seeing your “players” win. This has been part of the joy for me: watching Mark grow and leverage his expertise to help so many others.

Although there have been countless communication/presentation/“think differently” books, there has never been one that focuses as clearly and as simply on the two questions that are most important to any audience. Many of these other books say to focus on the needs of the person doing the talking. This book says the only thing that matters is what is important to the person doing the listening.

The most effective leaders, politicians, and executives know how to do this. They always answer the implicit So What Question every time they communicate.

Let me encourage you to get out your highlighter and put on your thinking cap so that you can learn from and enjoy this book. Highlight the key points, study each page, and share the tools and ideas with your team and colleagues. Sign up for the 21-day challenge in Chapter 10, “Getting From Where You Are to Where You Want to Be,” and help make these ideas a part of who you are.

Treasure this book, put it into practice, and watch for many great results to come your way.

**—Tony Jeary—Mr. Presentation™
Coach to the World’s Top CEOs**

“WRITE YOUR INJURIES
IN DUST AND
YOUR BENEFITS
IN MARBLE.”
—BEN FRANKLIN

CHAPTER 5

WHAT'S IN IT FOR THEM?

Released in 1968, the groundbreaking movie *2001: A Space Odyssey* showed us what life would be like in the twenty-first century. In one scene, Dr. Haywood Floyd, who is aboard the Aries Shuttle, wants to contact the Clavius Moon Colony to speak with his family. He does what any space father from the future would do. He uses the phone to call home. Floyd rings from a hands-free videophone with a 20" display that even takes credit cards.

In imagining the future, perhaps director Stanley Kubrick, who also wrote the screenplay (along with Arthur C. Clarke), was inspired by the 1964 New York World's Fair, where AT&T first presented its breakthrough in telecommunications: the PicturePhone. Hailed as a technological marvel, the PicturePhone ended up being what can only be described as a failure—but it was not for lack of trying on AT&T's part.

At the time, AT&T was not only the biggest company in the world, but it had enormous research and development capabilities, thanks to its wholly owned subsidiaries, Bell Labs (research) and Western Electric (development/manufacturing). Those two divisions allowed AT&T to create breakthrough products, from the transistor to the touchtone phone, and bring them successfully to market.

The PicturePhone was expected to be no different.

Invented at Bell Labs in 1956, AT&T subjected it to eight years of tests and improvements before it was released in 1964. “Someday you will be a star” was one of the advertising slogans it used to promote this high-tech and futuristic communications device.¹

The pitch was simple: Imagine seeing the person you are calling at the same time you are hearing his/her voice.

Figuring that people have the same desire to make eye contact on the phone as they do in person, AT&T marketed this benefit as the primary reason to have a PicturePhone, downplaying the fact that it would cost \$125 a month to rent the phones from Western Electric and between \$16 and \$27 for a three-minute call.²

AT&T executives expected five million PicturePhones to be in use by the mid-1980s and to be generating \$5 billion in new revenue from this product.

¹ Visit sowhatbook.com for further pictures and details.

² If that sounds like a lot, it is. Adjusting for inflation, this would be between \$107 and \$180 for a three-minute call today.

By 1973, after having invested more than a billion dollars, AT&T acknowledged that the PicturePhone was not commercially viable and ended the project less than a decade after heralding this breakthrough in communication.³

When reading the post-mortems of what happened, some will tell you the PicturePhone failed because of the small screen size and granular picture, which was the result of the limited bandwidth of the network. Others say it was because of the high cost. I believe both these explanations are incorrect.

More than 40 years after *2001: A Space Odyssey* was released, I can use one of the simplest video-conferencing features ever created, iChat, on my Apple computer. It enables me to see a full-screen picture in decent resolution for free over the Internet—and yet I rarely use this feature. The only time I do is to see my children or have them show me something, such as a drawing or Lego spaceship they have created, while I'm traveling.

Otherwise, the same problem that existed in 1964 is still present today. In most cases, I do not need

³ By 1992, AT&T teed up the idea again as part of their phone system, and once again, it failed to catch on.

to see the person to whom I am speaking, nor am I interested in having him or her see me. The fact is after the “wow” factor wears off, most people will admit that answering the phone first thing in the morning or late at night (or even while you are at work) and having the person be able to see you is not something that people care enough to pay for.

If AT&T executives had understood the real **So What Benefit** of the telephone—the ability to connect with anyone, anywhere, anytime—they might have invested more time and energy in developing new voice technologies, like the cell phone, instead of wasting \$1 billion on the PicturePhone.

Let's contrast the failure of the PicturePhone with another revolutionary technology, the iPod, where the outcome has been different.

Thomas Edison invented vinyl records in 1877, and they dominated the way music was recorded and distributed for the next 100 years. In fact, in 1983, some 209 million vinyl long playing (LP) records were sold.

By 1993, this number had declined to 1.2 million: **a 99.5% drop in ten years.**

How could this once-great industry implode so quickly? Because of the introduction of compact discs (CDs). Their So What Benefit was that they were portable, scratch-resistant, and offered incredibly clear digital sound.

Initially, many executives in the vinyl record industry believed that even with those benefits, there was still not much to be worried about, because there was no way the majority of record owners would ever forsake their beloved vinyl records.

These executives were wrong.

Millions of record owners not only made the switch, but they even repurchased many of the same CD albums that they already owned on vinyl records.

Introduced in 1983, the CD became the dominant form of music distribution worldwide by 1995 because the So What Benefit it offered was still relevant.

However, there was another disruptive technology looming on the horizon for the music industry: MP3 files, which could be played on a portable music player.

The CD industry proved to be as clueless as its LP counterparts. They responded by saying in effect, “Why would you need portability when you already have it with a (portable) CD player?” Steve Jobs, CEO of Apple, answered that question with the So What Benefit of the iPod: 1,000 songs in your pocket!

The iPod revolutionized the music industry again, not because people wanted to carry a portable disc drive, but because they loved the idea of carrying 1,000 songs of their choosing with them.

In April 2008, the iTunes Music Store—which is connected to Apple’s website and only exists virtually—surpassed Wal-Mart as the largest distributor of music in the United States.

It took more than a decade for CDs to dislodge records; the iPod went from introduction to market leader in just seven years.

What can we learn from these stories?

The PicturePhone lacked a compelling So What Benefit. Remember, a So What Benefit is defined as the benefit that is most important to your audience. The idea that you could see the person you were talking to was a neat feature, but not one that would cause people to go rushing out to get a PicturePhone.

In contrast, the moment people learned that they could carry around 1,000 of their favorite songs on an iPod, millions said, “I love it,” “I need it,” and “I’ll buy it.”

WHAT IS YOUR MOMENT?

Think of a typical movie preview. How often has it ended and you’ve looked to that person sitting with you and said, “I don’t think so!,” or “We should see it.” What is the benefit in your product or service that is going to trigger your audience to say, “I love it,” “I need it,” and “I’ll buy it”?

If you can’t think of a So What Benefit, ask a member of your target audience to complete the following sentence:⁴

All I *really* care about is _____.

You may find that they say only one thing, or they may start with one thing and then add two or three

⁴ I know you are thinking, “I can’t ask them to do that,” but actually you can. Try saying the following to one of your existing customers, “One of the things that I have found that is really helpful in prioritizing what’s most important is to ask you to complete the following sentence regarding this product/service.”

more. In either case, generally speaking, what they say first is the So What Benefit you can focus on. If you are just starting up or are looking to discover the So What Benefit for a new product, try out the various benefits on a representative sample of your target audience.

People usually tell themselves a story about why they buy something, and that story can be colored by what they think is culturally acceptable. Those stories are what I call the *ostensible benefit*—something that might appear true, but is not necessarily the case.

Deep down, emotion almost always trumps the logic when making a buying decision. Finding the So What Benefit helps you connect to that emotion.

Take a look at the following table to better understand the difference between the ostensible benefit and the So What Benefit.

	Ostensible Benefit	So What Benefit
iPod	Portability	1,000 songs of your choice in your pocket
Blackberry	Send and receive email	Stay connected
Microwave	Cook fast	Save time
<i>Your product/ service here</i>	<i>The benefit that seems like the reason people buy your product</i>	<i>The benefit that causes them to say, "I love it, I want it, I'll buy it"</i>

Here's an example to show how the difference between the ostensible benefit and the So What Benefit would play in practice.

A friend of mine was shopping for a new car, and the one she was considering was the Toyota Prius.

Upon arrival at the dealership, the salesperson focused on the fact that the Prius would help her reduce emissions and thereby help the global warming movement.

This is a great example of the routine/boring/dull/ostensible/unimaginative thinking you can fall into if you don't understand the difference between the ostensible benefit and the So What Benefit.

The fact is that people buy things because of what's in it for them, not you. Although it is undoubtedly true for some people that the So What Benefit when it comes to buying a car is how environmentally friendly it is, not everyone buys a hybrid car for that reason.

Indeed, my friend liked the idea of a hybrid helping the environment, but what created the "I love it, I want it, I'll buy it" moment for her was the Prius gas mileage. Its superior miles per gallon (mpg) would

enable her to not only save money on gas, but also save time.

Her previous car, an SUV, required two to three tanks of gas per week, plus the time to go to the gas station and pump the gas, which she did not enjoy doing.

With the Prius, she not only saves money, because she gets almost 47 miles per gallon compared to the 14 miles per gallon with her SUV, but she also avoids two trips to the gas station every week. She now only has to go once a week, as opposed to three. My friend figures that it saves her conservatively 15 minutes a week, which works out to be 13 hours a year to use for things that are more important to her.

Let me demonstrate the Prius example in the format of the previous table.

	Ostensible Benefit	So What Benefit
Toyota Prius	Better for the environment	Save money and time

The bottom line is we all need to remember that although an ostensible benefit might be obvious, it might not be the one that triggers the moment when your customers decide to say yes.

We also need to remember that there might also be more than one benefit for your respective target markets.

For example, with the Toyota Prius, for some people, it was gas mileage/saving money and time; for others, it was the eco-friendly cache; and for still others, it was the dependability of the Toyota brand. It's always important to find out what benefit(s) matter most to your prospective audience/customers.

Although many people have been trained regarding the importance of conducting a “needs analysis” of their audience, the fact is that the majority of salespeople don't do it effectively or consistently. That said, determining the most important benefit to your audience could help you be in the 20 percent who make 80 percent of all sales.

So, how do you do figure out what the So What Benefit is? In my experience, there is usually one benefit that is disproportionately important to the people who you are asking to make a decision.

Let's review how the car salesperson, Phil, could change his approach to understand what mattered to his prospect, Annie, before he began his sales pitch.

Imagine if he had said the following:

Phil: Annie, whenever I meet someone for the first time, I don't ever want to take for granted that I know what's most important to you in purchasing a new car. I'd like to ask you a few questions to find out what's most important to you before we talk about a specific make and model. Is that okay?

Annie: Sure.

Phil: What are you hoping to accomplish with the purchase of car?

Annie: I just want to spend less money on gas and have a reliable car.

Phil: Okay. Let me ask you one more question to help prioritize your needs. In terms of why you are buying this car, how would you complete this sentence: "All I really care about is _____."

Annie: Hmmm.... All I really care about is spending less money on gas.

Although this dialogue might be oversimplified based on your world, the principle is the same. Namely, it helps you quickly establish the answer to the question, "All I really care about is ..." and

demonstrate that you are in a different league from most of your competition, who begin selling a benefit that is important to them—or the one that they *assume* will be a benefit to customers—rather than finding out the benefit that's important to their audience.

If you are testing an idea for a marketing piece, you can use this same approach with your survey audience. You can try different copy and headlines for direct response mailing or Internet advertising to see which one generates the best response from your target audience. Sometimes, changing one word or one sentence in an advertisement, marketing piece, or even script that your salespeople use can increase its effectiveness dramatically.

If you make a pie chart and assign relative percentages to the key benefits of your product or service—based on what your audience has told you—invariably it will often become self-evident which one you should lead with in a specific situation.

In the next chapter, “Who You Always Wanted to Be—Yourself,” you will see how a **So What Communicator** ties together the everything you've learned so far while remaining authentic.

TAKE-AWAY IDEAS

- 1.** Not all benefits are created equal; to paraphrase author George Orwell, “some benefits are more equal than others.” Some benefits help you create a moment that causes your audience to buy. Your job is to ask the right questions to figure out which benefit is most important to your audience.
- 2.** To determine the So What Benefit, use the sentence-completion technique by asking your audience/prospect to complete this statement: “All I really care about is _____.”
- 3.** Lead your marketing with the benefit that causes your audience to respond with “I love it,” “I need it,” and “I’ll buy it.”

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