

Mental and Physical Availability

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Why are they so important?

Over the past twenty years there has been growing appreciation for the intangible assets that underpin the financial value of corporations. These assets can be sold, and they are generally worth far more than a corporation's tangible assets. Mental and physical availability, and the brand's distinctive iconography are assets that can be sold. They are brand equity.

These are market-based assets, in that they come about through trading activity. They are created by marketing. They are assets because they cost money to build, and other companies may purchase them rather than spending the money and time (and taking the risk) to build their own. They are valuable because they provide some surety of future profit.

These market-based assets deliver productivity. Sales calls and advertising work better when there are existing memory structures in viewers' heads – so long as the advertising works with these memory structures. Marketing also works better when the brand has plenty of physical availability. Advertising falls on barren ground when it reaches buyers who aren't near a firm's sales points.

To corporations (and their investors), these market-based assets provide security – next year's sales will be not too dissimilar to this year's.

But what about product and price?

Of course product and price matter - especially if they fall behind the competition. But over years, the main battle for custom is largely about mental and physical availability.

Sometimes we have an advantage over many of our competitors and we deliver superior value, but this seldom lasts in competitive markets.

Unless we are protected by some government monopoly our competitors notice what we have done and copy us.

Innovation when it works does so by expanding mental and physical availability - and rewards us by letting us earn returns after competitors have nullified our product or price advantage.

In the long run, the competition for sales is one of mental and physical availability. Even product innovation largely works (when it works) by enhancing mental availability and gaining further physical distribution. Building mental availability requires distinctiveness and clear branding, while brands seldom compete on meaningful differentiation. This means that marketing attention should be focused on building these assets so that a brand is easier to buy, for more people and in more buying situations. No marketing activity, including innovation, should be seen as a goal in itself, its goal is to hold on to or improve mental and physical availability.



*"I don't know who you are.
I don't know your company.
I don't know your company's product.
I don't know what your company stands for.
I don't know your company's customers.
I don't know your company's record.
I don't know your company's reputation.
Now--what was it you wanted to sell me?"*

MORAL: Sales start **before** your salesman calls--with business publication advertising.

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