



Book Selling Dreams

How to Make Any Product Irresistible

Gian Luigi Longinotti-Buitoni
Simon & Schuster, 1999

Recommendation

Gian Luigi Longinotti-Buitoni's premise is that the best way to sell products is to tap into customers' emotional impulses, which can override their rational thinking. It's a good theory, as proven by how effectively the CEO of Ferrari North America used it in writing this book. As a reader, you can't help but get swept up in the pages of description of wondrous products from the likes of Ferrari, Tiffany, the Ritz and Cohiba. And when you do, it's easy to overlook the fact that the book is slightly repetitive and presents ideas that are far from radical. However, Longinotti-Buitoni's anecdotes about the development of the Ferrari brand name, as well as those of other high-end companies, are sure to delight marketing and advertising practitioners. *BooksInShort.com* recommends this book to professionals in those fields, who will find useful insights, especially in the excellent summaries that come toward the end of each chapter. A clear introduction and a well-executed concluding chapter also help clarify the ideas. There is probably more passion than substance to *Selling Dreams*, but in the end, isn't that what it's all about?

Take-Aways

- Sell products and services that appeal to your customers' dreams.
- To appeal to your customers' dreams, you must interpret the spirit of our times.
- Establishing your brand is a critical part of developing a dream product or service.
- When a customer buys a dream product or service, he buys more than just the product or service; he buys an experience.
- The term "marketer" is too narrowly defined for a dream-selling company. "Dreamketers" are needed in the dream-selling business.
- A dreamketer takes into account all of the motivations that cause a customer to buy.
- Differentiate between consumers and customers.
- Customers are more faithful than consumers are, and they spend more money.
- An obsession with short-term financial goals can inhibit progress.
- Risk-taking and a long-term financial view are necessary for a company to become successful at selling dreams.

Summary

Shaping Dreams

To please the new breed of customer, you must trigger their emotional impulses, which override their rational thinking. Companies must sell products and services that appeal to the dreams of their customers. You cannot rely on market analysis, consumer studies or product clinics alone. You need to be able to interpret the spirit of our time.

The Volkswagen Beetle is an excellent example of a product that succeeded because it appealed to the spirit of the times. Introduced during the "flower-power" generation, the Beetle capitalized on society's love of the underdog. The Sony Walkman was successful because it appealed to baby-boomers' desire for freedom and independence.

“Customers do not buy a Ferrari or a Feadship yacht simply to get around in, a Chanel dress because they are cold, or a room at the Ritz because they are just looking for a good night's sleep. These companies sell dreams.”

The idea of interpreting the spirit of our time may seem like a job better suited to artists and writers. In reality, a company should have an advantage over any individual artist or writer. While most artists and writers work alone, companies can draw on a vast range of collaborators to produce creative ideas. In addition, while companies are concerned only with creating wealth, writers and artists must wrestle with complex spiritual and cultural motivations. Influencing a customer's material dreams is easier than defining the artistic and poetic vision of a civilization.

The Business of Selling Dreams

In order to secure business success, your company needs to establish its brand. Fame is critical because it translates into name recognition, customer awareness, sales and profits. Take a minute to look at how the following companies have turned dream selling into a profitable business.

- Ferragamo - This company has turned selling shoes into an art. Actors, actresses, royalty, industrialists and politicians make up the faithful but demanding Ferragamo clientele.
- Ferrari - This racing and sports automobile manufacturer is one of the three most recognized brands in the world (along with Coca-Cola and IBM). This was achieved despite the fact the company didn't even have an advertising budget until 1993. For a few million dollars spent improving name recognition, Ferrari has achieved an effect similar to the one IBM and Coca-Cola spent billions to create.
- The Hôtel Ritz - While the name Ritz appears on many of the world's hotels, only the Hôtel Ritz in Place Vendôme, Paris, provides the magnificence that spurred the opening of so many grand hotels at the turn of the century. Opened in 1898, the Ritz was one of the first hotels that offered electricity and fully equipped bathrooms in each room. Ritz employees, as many as two to a guest, are refined and polished. Some employees have been with the company for more than 20 years.

“Create products and services designed and engineered to convey intense emotions.”

So, what do these companies have in common? While their products (shoes, cars, and hotels) are different, they share the same common purpose: They fulfill the dreams of their customers. Ferragamo sells the dream of elegance, not shoes. Ferrari sells the dream of speed, not cars. The Ritz offers a palace of splendor and refinement, not just hotel rooms. They are dream products because their success does not come solely from the function of the products; it depends on how they emotionally engage the customer.

It is time to view your company horizontally. This means changing your focus from your company and products to the customer. From a vertical (or product) perspective, Rolls-Royce is seen as having something in common with Toyota, because both companies produce cars. But if you look at Rolls-Royce from a horizontal (customer) perspective, you see more in common with companies like Ferragamo or the Ritz. By thinking of your company with a horizontal perspective, you are better tuned in to your customers' purchasing habits. For example, the owner of a Rolls-Royce is more likely to purchase from Ferragamo than from JC Penney.

“A company is truly only worth the sum of its customers’ spending power.”

Dream products and services normally start out as products or services that have aesthetic value for their design, technology, or cultural impact. Ferrari is a dream car because of the way it was conceived, designed, and produced. Marketing completes the dream experience. A Hyundai is a functional commuter car. No amount of advertising can transform the Hyundai into a dream product. To sell dreams, companies must produce products and services that are strikingly attractive, original, socially desirable, and exceptionally well crafted.

Dreamketing

Merely reaching the market is no longer enough. Be a "dreamketer," instead of a marketer. Dreamketing is based on the fact that, to achieve blockbuster success, you have to be able to interpret and shape your customers’ strongest desires. Your product is not a dream, but it can be the inspiration for a dream. A crown may inspire a person to wish to be a king. The dream is to become king, not to own a crown. The dreamketer is responsible for arousing the dream state of their customers.

“Companies must promote in their customers’ wonderment, feelings of extreme well being and the conviction that they, too, can be freed from the daily grind and head for the impossible.”

A dreamketer needs to consider all of the different purchasing motivations of customers in order to build a convincing dream. A person may choose to purchase a bottle of fine wine due to a variety of motivators ranging from symbolic (establishing social status), to hedonistic (enjoying pleasure), to aesthetic (admiring the quality of the creation).

Educating consumers about aesthetic values is a tough sell. Most people are not interested in cultivating their aesthetic tastes. Despite this, communication campaigns are important. If you can help customers appreciate aesthetic excellence they will become your company’s most faithful customers. This reduces the cost of retaining customers. These customers also tend to be taste leaders who are influential when telling others of a product’s excellence.

“Interpret the spirit of the time in order to understand which dreams will capture the customer.”

Choose a dreamketing strategy that follows your product’s intended life cycle. Short-term products, such as fashion and perfumes, need aggressive marketing strategies that are constantly renewed through TV, newspapers, or magazines. A strong promotional launch based around symbolic and hedonistic motivators builds a base of customers who will attract future customers by word of mouth. Jewels, luggage, and accessories are medium-term products that require a subtler dreamketing approach. Along with hedonistic and symbolic motivators, aesthetic values must also be promoted. Long-term products, such as yachts, specialty food, wine, and furniture, require a strategy that focuses on aesthetic values and the uniqueness of the product. The use of word of mouth, special events, and specialized media are the best methods for dreamketing long-term products.

Ferragamo’s Divas

It is important to remember the real reason your customers buy your product. The dream of customers is not to own Ferragamo shoes. Customers dream of being as beautiful as Ferragamo’s divas. Producing unbelievable products is not enough. You need to urge your customers to fulfill their dreams with your product.

“The first concern of the ’dreamketer’ should be to create an evocative and seductive brand, one that can spark desire and set the customer’s mood.”

Make the distinction between customers and consumers. A consumer is a hypothetical figure that symbolizes the millions of people who buy goods for their functional worth. Once a product is used, it is discarded. There is very little relationship between the consumer and the company. A customer is a specific person with very particular tastes. Customers do not buy products merely to consume them. Temporary products such as a glass of Château Latour 1974, or a hotel stay at the Ritz, remain preserved in the memory of customers.

The difference between consumers and customers is purchasing attitude. Customers spend more than consumers and they are more faithful. You need to make a customer out of every consumer you can. Your company’s total worth is equal to the purchasing power

of your customers and their willingness to use it. The best way to attract customers is to transform common products into dream products.

“A company must develop, at all levels of the organization, a culture that actively promotes original experimentation and aesthetic research.”

Look at the economic profile of your customers. At the top are the very few of the very rich. This group includes billionaires, CEOs, and sports and entertainment celebrities. While not many people earn that kind of money, their visibility fuels the expectations of other people. Media coverage of the rich and glamorous leads people to want to emulate them.

“Just as artists wander endlessly for inspiration, companies should constantly explore unrelated fields to increase their chances of understanding how their customers’ desires are formed.”

The majority of your affluent customers will have a more realistic income. In the United States, the top 25% of earners are considered affluent. This market segment represents the largest concentration of spending power, so it is very important for a company to appeal to this group.

Your company should focus less on wealth in relation to the rest of the population and more on discretionary income. Discretionary income is the term for the amount of money left after basic requirements such as food, shelter, taxes, and other necessities are taken care of. This leftover money can be spent freely on anything from education and leisure to luxury items. The best indicator of spending power toward the purchase of dream products and services is discretionary income. Other indicators to be aware of include cultural and social attitudes toward luxury or hedonistic spending, and any religious edicts that forbid the consumption of alcohol or certain foods. While it is relatively easy to measure wealth objectively (income, home value, investment value), determining the potential market for dream products and services is much more complex.

Your company cannot expect customers to be the same faithful patrons of the past. Creativity and bigger investments in research and development are needed to keep your company constantly innovating. You will have to be able to tease, amuse, and surprise. Emotional data is still more important than rational data. The acceleration speed of a motorcycle from zero to 60 miles per hour matters less than the emotion of getting on a Harley-Davidson and feeling as rebellious as Marlon Brando. People who buy Ray-Ban sunglasses are less concerned with UV protection than they are concerned with looking like the cocky fighter pilot played by Tom Cruise.

“Selling dreams is an important business, which includes all of those products and services that can stimulate our imagination and excite our desires.”

Dreamketers need to upgrade to modern technology to help them win over specific individuals. You need to know a person’s tastes, likes, dislikes, sense of humor, physical and emotional characteristics, and earning and spending potential. With that sort of information, a dreamketer can tailor-make individual dreams.

Financing Creativity

Selling dream products and services successfully requires creativity of an artistic nature. However, with art, the primary goal is to create beauty. Your focus in selling dreams is to make a business. Normally the financial department of your organization is responsible for enforcing a strict work discipline. Unfortunately, the financial department’s obsession with the bottom line could be a detriment to the long-term success of a company in the business of selling dreams. Your company’s financial directives need to allow your organization to take risks and have a long-term focus.

“Since dreaming does not refer to specific objects, but rather to the way those objects are perceived, a company sells a dream also by creating the perfect stage for its product or service.”

Putting together the expertise and credibility necessary to create dream products and services takes time. A company needs to be able to take risks and experiment with different solutions that will stir peoples’ emotions and convey the company’s original taste. It is virtually impossible to consistently create dreams without long-term thinking and risk taking. The short-term, risk-avoidance model of financial management is useless for the dream-selling company. It’s not easy to be successful selling dream products and services, but

once you are, it can transform the rest of the life of the company. Consider how the Walkman has helped Sony’s worldwide brand recognition.

Selling dreams is the road to any businessman’s dream: profitability. This dream is elusive to many businessmen because once markets become saturated by intense competition, companies begin to cut prices in order to attract new customers and increase market share. Price wars will not help a dream-selling company increase sales. Mass-consumption businesses focus on the rational thinking of the consumer and try to offer the best possible deal. Dream-selling businesses must ignore the price tag and focus on their customers’ emotional behavior. High profit margins are generated by dream-selling businesses by maximizing added value. The higher your customers perceive the added value, the more they will pay.

About the Author

Gian Luigi Longinotti-Buitoni is the president and CEO of Ferrari North America.
