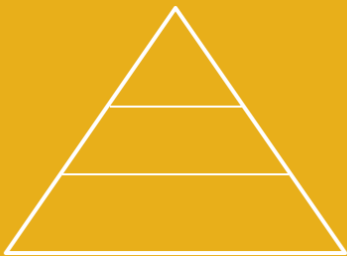
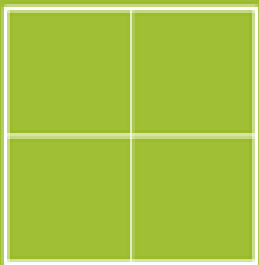
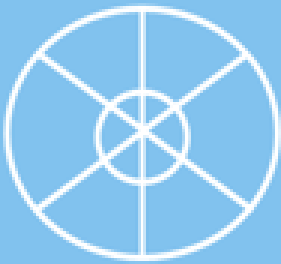


APG TOP MODELS

The most useful
strategic models and
how to apply them

with Jon Leach



MODEL 1



1. Just for Starters

The Basic two by two: how it works and how it was used to carve out a competitive positioning for Subway.



This is the first in a smorgasbord of models and frameworks that we will lay before you over the coming weeks. Much like a good hotel, we hope to serve you up something fresh and tasty on most visits, although weekend service may be a little patchy...

So rather than pontificate on what is a model, or a framework, and what makes a good one, let me introduce the series by placing before you a rough and ready model I created for a PR agency.

It is merely an amuse bouche, a taster, a starter. Nothing grand. Nothing fancy. But kind of fun.

Here is the Subway two by two.

The main point to note with this one is that the "two by two" is a historically popular format, possibly dating back to the [Boston Matrix](#), and so everyone understands how they work. Secondly it is relatively easy to make one out of thin air, or "partial data" as it is formally known. This means that a well-crafted 2 by 2 might give everyone enough of a strategic framework to be getting on with.

For in PR, a little planning can go a long way.

Some of you may feel that this model is quite prosaic, but the context for this was one of "plumbing" not grand architecture i.e. sometimes us planners scope out a magnificent new brand model and attendant, intricate communication strategies.

Sometimes we just get the messages to flow.

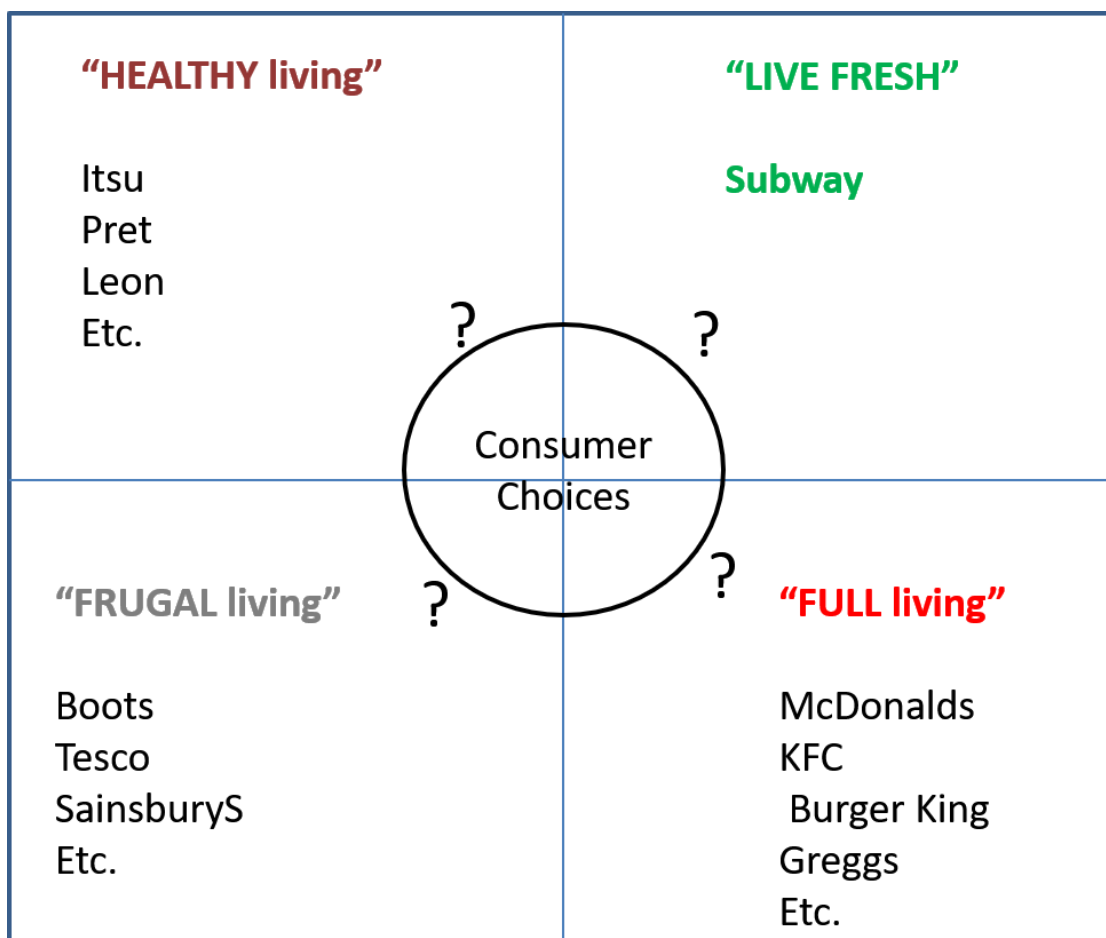
So the strategy was set by America, as was the positioning line, "Stay Fresh". Most of the comms were going to be product/promotional at or near the point of consumption - buses and bus shelters - and to be honest, the PR agency just wanted to do lots of jokes involving

food and photography on social media i.e. Instagram. They were hoping for a way of justifying this.

This was about joining up all the pipes, not creating a blueprint worthy of Frank Lloyd Wright.

My “data” was a bit of verbal briefing from the agency and, to be honest, 30+ years of lunch time purchases as an office worker in and around central London; while not exactly [a modern Samuel Pepys](#) I did have a mental diary of lunch time experiences in the Big Smoke to call on. Who knew that for all those years, while the account handlers were off having glamorous client lunches, I was subconsciously mapping out the market for Subway?

I don’t have my paper notes, but I imagine that I sketched something out on paper before creating this ppt chart. One of the great advantages of 2x2s is you can make them in ppt; you don’t need to be good on Adobe Illustrator to make them presentable.



Note that there is no data here – it’s just my opinion - but the clustering of the brands and the labelling of each cluster gives it enough “benefit of the doubt” for now. More importantly it was a robust enough framework (pipe network?) to layer on a few more things that mattered.

So, we could look at the functional benefits of each quadrant...

	Extrovert/Expressive		
Thinking, Principled	“HEALTHY living” Itsu, Pret, Leon, Etc. Healthy ingredients/quantities Mainly cold, but fresh Mildly exotic tastes Thoughtful, progressive NO DEALS (be strong)	“LIVE FRESH” Subway Freshly prepared <u>for you</u> Personalised/customised Dynamic/balanced combo of bread, fillings and sauce Fun, lively combos, novelties DOUBLE UP!	Feeling, Pragmatic
	“FRUGAL living” Boots, Tesco Sainsburys Etc. Convenient. Quick. Ambient. Cheapest, best value Familiar/safe ingred./tastes Often calorie counted MONEY SAVER DEALS	“FULL living” McDonalds, KFC BK, Greggs Etc. Strong aromas and taste Triple play : salt, fat, sugar Hot, satisfying and filling Often high calorie GO LARGE : VOLUME DEALS	
	Introvert/Internal		

The emotional and social benefit of each offer...

	Extrovert/Expressive		
Thinking, Principled	“HEALTHY living” Itsu, Pret, Leon, Etc. Good to myself Clean and serene Clever, ahead of the masses VIRTUE RE-VALIDATED	“LIVE FRESH” Subway Fuelled up and good to go Bright eyed and bushy tailed Re-freshed and ready to party FUELLED FOR FRESH ADVENTURES	Feeling, Pragmatic
	“FRUGAL living” Boots, Tesco Sainsburys Etc. Neutral/going OK In control, restrained Frugal and disciplined STILL IN CONTROL	“FULL living” McDonalds, KFC BK, Greggs Etc. Self- indulged/treated Satisfied, satiated Being my own man Not listening to know-alls COMFORTED	
	Introvert/Internal		

Our Customer?

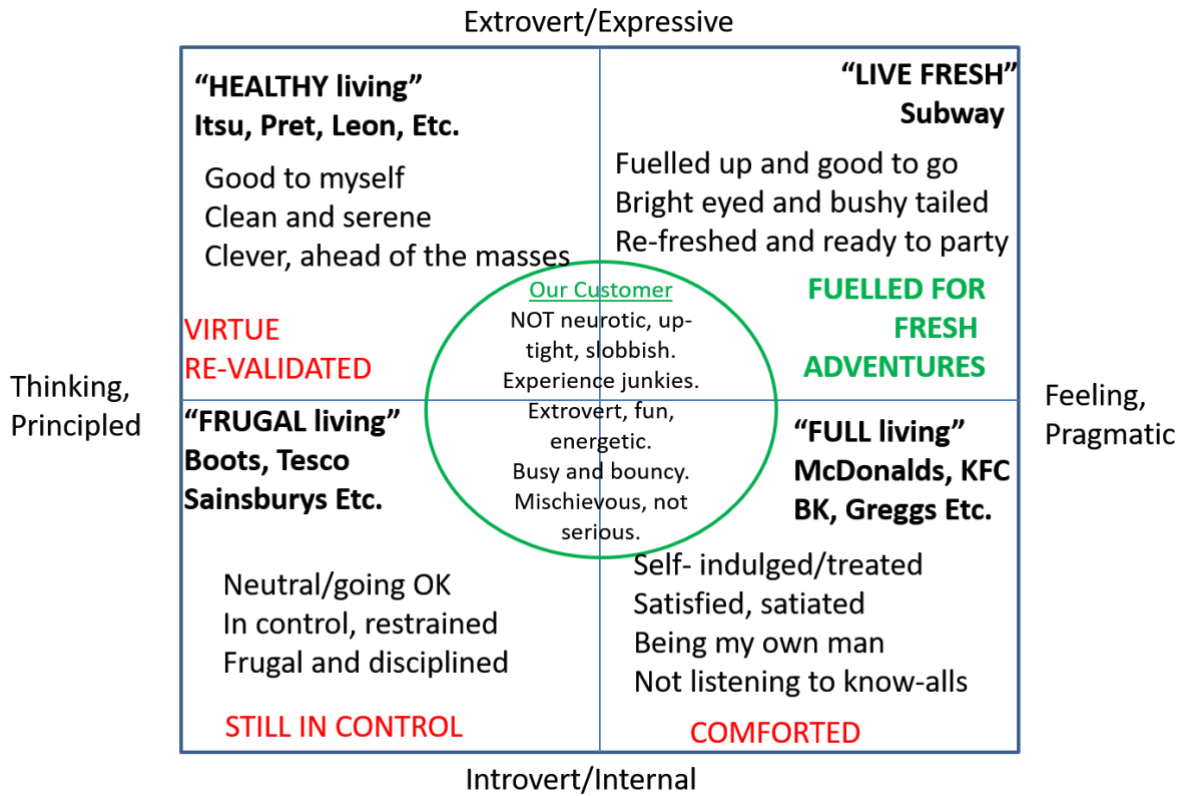
We could even explain the promotional strategy of each quadrant. The Subway signature offer was “going foot long”, which was a charming way of suggesting that you eat twice as much as the standard 6 inch Sub.

	Extrovert/Expressive		
Thinking, Principled	<p>“HEALTHY living” Itsu, Pret, Leon, Etc.</p> <p>Healthy ingredients/quantities Mainly cold, but fresh Mildly exotic tastes Thoughtful, progressive</p> <p>NO DEALS (be strong)</p>	<p>“LIVE FRESH” Subway</p> <p>Freshly prepared <u>for you</u> Personalised/customised Dynamic/balanced combo of bread, fillings and sauce Fun, lively combos, novelties</p> <p>DOUBLE UP!</p>	Feeling, Pragmatic
	<p>“FRUGAL living” Boots, Tesco Sainsburys Etc.</p> <p>Convenient. Quick. Ambient. Cheapest, best value Familiar/safe ingred./tastes Often calorie counted</p> <p>MONEY SAVER DEALS</p>	<p>“FULL living” McDonalds, KFC BK, Greggs Etc.</p> <p>Strong aromas and taste Triple play : salt, fat, sugar Hot, satisfying and filling Often high calorie</p> <p>GO LARGE : VOLUME DEALS</p>	
	Introvert/Internal		

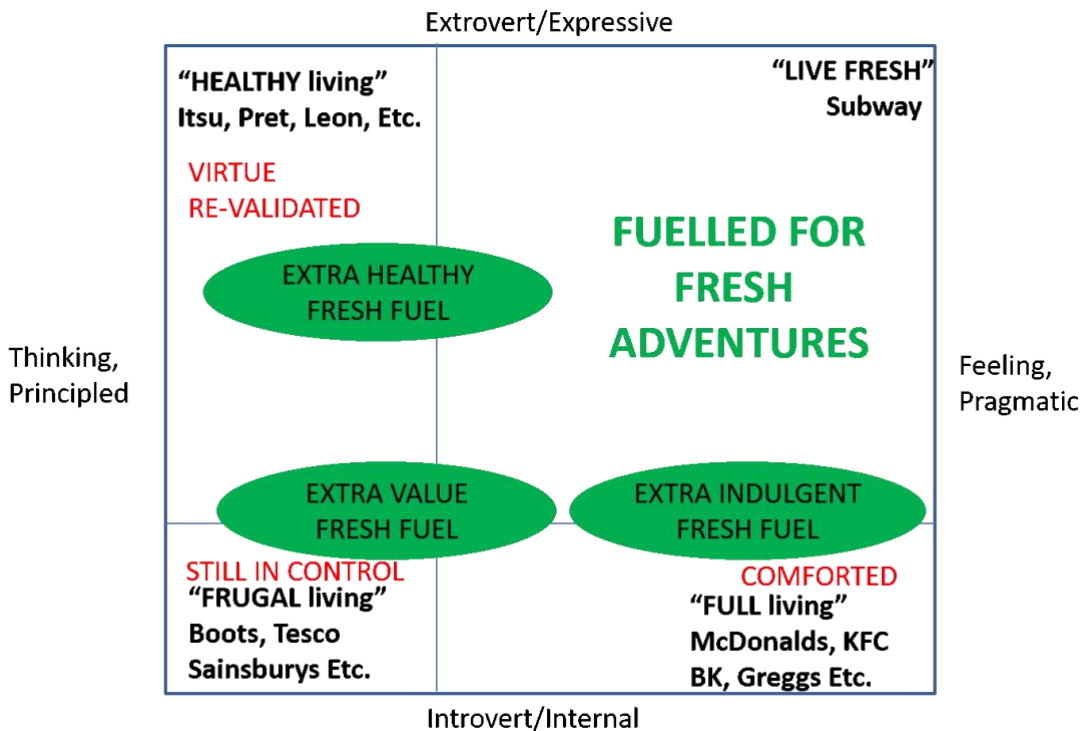
Finally, note that if you look at the labels I attached to each axes, I glued on a dollop of psychological insight and terminology to encourage the audience to believe that this wasn't just the personal prejudices of a planner with a slight weight problem and a £10 a day Leon habit, but a reasonably robust way of mapping the market.

Now one of the themes of this series is going to be "All Models Are False. But some might be useful", so let us look at how this model helped. I recall three ways:

1. It allowed us to create a "need state" personality of the target audience. It suggested a certain core demographic but, like all good mass brand propositions, it had a broad reach and offered something to light users as Byron Sharp suggests we should.



2. It allowed us to see how we could take share from the other quadrants, explaining how “health”, “value” and “indulgent” specials all had a role to play. This model was not just an academic exercise but a pragmatic street-fighter’s map that showed how punchy retail offers could steal share from the shop next door.



3. It allowed us to write a set of communication principles for the PR agency to follow (and ideally, to inspire the other agencies too). PR agencies don't really like creative briefs. But they do like some guidance:

- Mess around : DO play with your food
- Product is fuel - a means to an end - not the whole deal
- Fuel social media; don't be a bystander or even worse, a drag
- Show benefits (altered mood states, merry mayhem) not features (serious freshness, orderly lists, serving suggestions)
- Respond to others' foolishness. Pour fuel on the fire, even.
- Don't be afraid of teasing the other neurotic/uptight/sloppy brands
- Be proud of who you are and don't let anyone pull you down: "you're fresh, but my god, don't you know it..."
- Keep innovating. Be the fresh fuel. Stay foolish.

So, if you have never tried a 2 by 2 how might you create one?

1. Don't be afraid of trying to define just two axes that explain most of the market behaviour. You will be oversimplifying, but bringing clarity is the job of the strategist. Normally the first axis is fairly obvious, in this case the health/low calorie vs indulgent/high fuel axis. The fun bit is playing around with what the second axis might be. My hunch here was that your choice of food could contain a degree of self-expression, not just functional benefits. This probably came from my history of working on alcohol brands.
2. Don't be afraid of using your broad knowledge of the market as your data source. But see the world as a puzzle to be solved i.e. in this case, how come such diverse offers as Big Macs, ITSU boxes and Boots £3 lunch time deals can co-exist and how can Subway carve out its own space?
3. Do use your planning tools to inform and colour in the 2 by 2. In this case we include functional, emotional and social benefits as well as a simplified Myers Briggs grid of extrovert/introvert + thinking/feeling. We will come back to this another time, but sometimes when you have found (made up?) your 2 by 2 you can find some actual data to support it as well.
4. Be useful above all else. It is not useful to the UK Marketing Director to tell them that Stay Fresh is wrong. It is useful to show them how Stay Fresh logically connects to a funny series of Instagram posts co-ordinated by the PR agency.

To finish, here is a Xmas "commercial" from the PR agency from around that time:

<https://www.goodrelations.co.uk/page/subway-festive-feast/>

Stay fresh. Stay foolish. And watch out for the next course...

Participation Section.

A good way you can check if you have absorbed this material is to see if you can “make one yourself”. Follow these steps to really embed the learning.

Today’s exercise is to create a simple 2by2. It doesn’t have to be right or have any data in it at all. But it would be good if it was interesting. And stimulated some new thinking.

1. Choose a market/topic you either work in or know well. It doesn’t have to be brands, it could be football teams, or nations or celebrities.
2. Draw up a list of entities in that category, around a dozen or so, trying to include lots of character and difference in your list.
3. Draw out a basic square cross (we can firm up the boxes later).
Tip: work on paper at this point.
4. Looking at your list, what is the most obvious axis you can perceive? Put opposing labels left and right. You can change these labels later.
5. Still looking at your list, what is another axis you can perceive? IF you can think of a few, what one seems somewhat new and interesting. Put in labels North and South.
6. Take your twelve candidates and place each of them in one of the 4 boxes. If some don’t fit, leave them out for now.
7. If some boxes are a bit empty, or even blank, can you think of some candidates who would fit. Drop them in.
8. If you think things are filling in nicely (and no vital candidates have been left out) look again at your axes and your labels. Do you want to tweak these? That is allowed.
9. Once you are happy with the whole thing, what insights and ideas can you derive from it?
10. Congratulations you have just created and applied a 2by2 strategic model. Go and show it to someone.
11. Turn it into a power point slide if it’s really good.

Debugging tips:

- If lots of things are falling on the lines you may have the wrong axes.
- If some of the key entities (e.g. Nike in sportswear) don’t fit in well, then ditto.
- If everything aligns diagonally then you have a correlation and need to change one of your axes until you get a spread.
- If two orthogonal boxes are empty then one of your axes is redundant.

Finally: How to Join the Seminar Next Week

Sarah and I are hosting a seminar on Monday 12th at 16.30 to discuss 2by2's with planners far and wide.

Feel free to pop in.

But, even better, send Sarah a model based either on Model 2's "make one yourself" recipe or Model 1's.

sarahnewman@apg.org.uk

Mark it "Top Model" so we know what it is.

There will be prizes! So, it has to be a 2 by 2, as that is our current theme, but whether it is based on quant. data or not is up to you.

Send us something interesting, something distinctive but, most of all, something useful

And here's the zoom link for the seminar (APG members only, obv's)

Time: October 12, 2020 04:30pm London (BST)

Join Zoom Meeting

<https://zoom.us/j/92853028315?pwd=aTdnZmwxcFJBSmxValhORVc2SWxDdz09>

Meeting ID: 928 5302 8315

Passcode: 807212

Ready....Steady...Make!