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**Meet the MasterMinds: Jack Trout Talks Strategy**

With his 1981 classic book, *Positioning*, Jack Trout and coauthor Al Ries changed the language and practice of marketing strategy. In the more than two decades since then, Trout has authored or co-authored some of the best-selling marketing books of all time, including *Marketing Warfare*, *Bottom-Up-Marketing*, and *The 22 Immutable Laws of Marketing*.

Trout's latest book, *Trout on Strategy*, expands on and integrates many of the key ideas from his earlier work in an easy-to-read format. MCNews talked with Trout to get his views on marketing in the consulting business and what prescriptions he could offer consultants to help them become better marketers.

**MCNews: So much has been written about business strategy that it's hard to sort through—what is your definition of strategy?**

**Trout:** There's no end to the jargon-rich writing on business strategy, so I like to keep my definition simple. Your strategy describes what makes your business unique, and what is the best way to get that difference into the minds of your clients and prospects.

**MCNews: How you would assess the state of strategy in the consulting industry?**

**Trout:** Terrible. Many consultants' strategy is simply to stay on at their clients, no matter what problem needs to be solved. It could be a corporate strategy project, organizational design or implementation work. Lots of consultants tell clients they can do any project that comes along. They are trying to be all things to all clients and that's a flawed strategy.

What's unfortunate is that so many great companies have followed the advice of consultants and now find themselves on the brink of disaster. And that's because too many consultants will tell clients exactly what they want to hear, instead of being objective advisers who look you in the eye and give you the good news with the bad.

**MCNews: So what are the keys to an effective strategy for a consultant?**

**Trout:** First and foremost, I'd say specialization. Clients are looking for the best of breed when choosing consultants. They'll pick one consultant for creative work, another for strategy work, and a different one for change management projects. The client will use consultants they perceive to be specialists in a coordinated way to achieve the total result they're after.

General Electric learned the lesson of specialization many years ago when they launched a concept called the turnkey power plant. The concept was simple: GE would provide all of the components that an electric utility needed for a complete power plant. It was a one-stop shop concept.

But they found that customers wanted to give different parts of the contract to those who they believed to be the specialists in those areas. GE may have received the contract for the turbine generators while other specialists got the contracts for the controls, switchgears and other components. Even though GE is credited with inventing electricity, that fact wasn't enough to overcome their customer's strong desire to buy from specialists.

Consulting clients are behaving in the same way. They are buying services from a variety of specialists, not relying on generalists.

**MCNews: Any thoughts on why consultants resist the idea of specialization?**

**Trout:** Most consultants don't want to be tied to a single specialty. They want to be as many things to as many clients as possible. What they fail to understand is that, once they start to extend into areas outside of their true areas of expertise, they leave space for new specialists to creep into their markets and take their place.

The advantage of specialization is that it simplifies the marketing, selling and buying of consulting services. If clients understand that you're a marketing strategy consultant, they won't ask you to help them solve a logistics problem. They'll know exactly how and when to use your firm and when to seek help from someone else.

Specialized consultants don't waste scarce resources chasing projects that are outside their areas of expertise. It's easier to qualify a prospective client when your specialty is well defined. It's more efficient and more effective.

**MCNews: You've said that strategy "is all about perception, so don't get confused by facts." What do you mean?**

**Trout:** Consultants tend to spend a lot of their marketing time and money discussing their complex case studies, qualifications and methodologies when they should be working harder to position, in the minds of their clients and prospects, how they are differentiated from competitors.

Let me give you an example from the current U.S. presidential campaign. Both candidates are hoping to gain an advantage by positioning themselves in the minds of the voters. The incumbent, George Bush, has a natural advantage, as he's been pushing his "strong leadership" position since his first presidential campaign. And that is many voters' perception of George Bush and his administration.

Bush's opponent, John Kerry, has a different positioning challenge. He is the lesser-known candidate, so he must find a way to identify himself in the minds of voters who don't know him or his political views.

Kerry could attempt to dislodge the voting public's perception of Bush, which would take a long time. Or he could relate his own position, in some way, to Bush's positioning to get his message across.

For example, Kerry could take the stance that Bush is "Strong, but wrong." That would be a simple, but powerful, way to use the president's own positioning to create a different perception in voters' minds.

Consultants have the same opportunity. What's important is to create a perception in the minds of your clients and prospects, not just present facts about your firm. And most consultants are not good at creating that perception.

**MCNews: Many consulting firms believe they win with the quality of their people. Is that an effective strategy?**

**Trout:** No. Every firm makes that same claim. It's not believable, nor is it a good differentiator. There's a standard distribution of people in the world and no single firm has a lock on all of the good people, and clients understand that.

**MCNews: What one thing should a consultant remember when putting together a strategy for a practice?**

**Trout:** To thrive, specialize. Don't be tempted to do everything for your clients. It's not good for them or for you.

**MCNews: What's on your reading list these days?**

**Trout:** Three books come to mind. The first is *The Wisdom of Crowds*, by James Surowiecki. The second is *Testosterone Inc.: Tales of CEOs Gone Wild*, by Christopher M. Byron. And finally, I'd recommend *The Tipping Point*, by Malcolm Gladwell.

**MCNews: Thanks for your time today.**

You can find out more about Jack Trout, his books and services at [www.TroutandPartners.com](http://www.TroutandPartners.com).