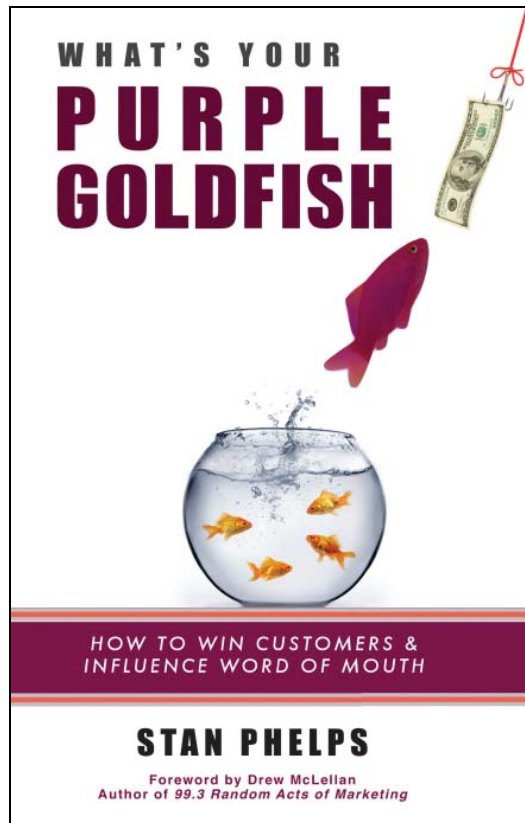


*"In business you do must do something that's above and beyond what's expected. Phelps shows the ingredients behind creating signature extras that are unconventional and innovative. Every business should be asking themselves, "What's our Purple Goldfish?"*

**-Tony Hsieh**

NY Times bestselling author of "Delivering Happiness"  
and CEO of Zappos.com



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## **Executive Summary**

# **WHAT'S YOUR PURPLE GOLDFISH?**

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**How to Win Customers &  
Influence Word of Mouth**

## Foreword

Have you ever met someone and within minutes of your first contact, you knew that you were kindred spirits? That's how I felt when Stan first reached out to introduce himself.

We first met a few years back when he was a brand new blogger. But I knew in an instant that he wasn't brand new to marketing. He got it. Like most people will never get it – Stan got the secret to marketing success.

He understood that marketing is about being so remarkable that people can't help but talk about you. That if you absolutely delight someone – they will not only come back but they'll bring friends. They become your sales force.

Stan delivers this marketing truth over and over again in this book all wrapped in the idea of lagniappe. What's so awesome about the whole notion of marketing lagniappe is that it not only teaches us what to do but more importantly, it reminds us that it must be done from the heart.

True lagniappe can't be faked or forced. We banter the word authentic around too much these days. But for lagniappe to work, it must be just that -- real and offered without expectation of anything in return.

In other words – you do it because you want to, not because it's in a marketing plan document or because your ROI calculator told you it would generate a 42.36% return. (And no...there's no such thing as an ROI calculator!)

As you read the stories that Stan has collected for this book, I think you're going to be amazed at the creativity and generosity that

many businesses have and in the end, I suspect you'll be inspired to let your inner spirit of lagniappe loose.

You'll probably fill up a notepad with ideas of how you could do a little something extra to enchant your customers. When you've turned that corner and are thinking about them rather than what's in it for you – you're truly ready to practice lagniappe.

I honestly believe that the guys in the white hats do win in the end. And companies that embrace the belief that if you give first and you give generously – you will earn customers for life are marketing's good guys. This book shows us time and time again how to make that happen.

In the end, this book is Stan's own lagniappe for all of us. A genuine gesture of sharing what he truly believes with the hope that it is of great value to us. I'm so happy for you that you've found Stan, his book and are about to receive a gift that could, if you let it, change how you do business forever.

Enjoy!

Drew

**- Drew McLellan**

Top Dog, McLellan Marketing Group  
Author of *99.3 Random Acts of Marketing*

## Introduction

***What's Your Purple Goldfish?*** is not your ordinary business book. It aims to change the paradigm of how we fundamentally go about marketing our products and services.

Let's face it... we've lost focus in our marketing. We've been so laser focused on prospective customers that we've forgotten to deliver an exceptional customer experience once they've walked through the door. Advertising is no longer the answer. Traditional media is fragmented and for the most part ineffective. Customer support is non-existent, we're too busy outsourcing it to India. We've developed complex loyalty programs that confuse customers and only promise future benefits.

### **The Longest and Hardest 9" in Marketing**

In 2008 I launched a blog called 9 INCH MARKETING. Nothing personal with the title I assure you. Nine inches is the average distance between the brain and the heart. I refer to those nine inches as the *"longest and hardest"* for any marketer, given the goal of winning the heart of your customer. My first dedicated post was about the concept of lagniappe. With each post I included a small section called "Today's Lagniappe" with a fun extra bit of trivia, a joke or a story. My first guest post on another blog, Drew McLellan's *"Drew's Marketing Minute,"* was about the concept of lagniappe. My first Slideshare presentation was also about the concept of lagniappe. Can you see where I'm going here?

### **A Project is Born**

In late 2009 I launched the Purple Goldfish Project and started the blog Marketing Lagniappe. The project was an ambitious attempt to crowd source 1,001 examples of marketing lagniappe. The ball was rolling. My friend Doug Pirnie once told me that everyone has a book inside of them. If that is the case, this one has been bubbling inside of me for the last eight years. I'm glad to be finally letting it out. I hope you enjoy it and profit by it.

## **Prologue**

*“Real generosity toward the future lies in giving all to the present.”*

- Albert Camus

### **TWO STORIES OF MARKETING LAGNIAPPE**

The first is the story of a boy from upstate New York named David McConnell. At the age of 16 David started to sell books door-to-door. When his fare was not well received, McConnell resorted to a little lagniappe. David would promise a free gift in exchange for being allowed to make a sales pitch. The *“little something extra”* was a complimentary vial of perfume. It was a signature extra as David concocted his original scent with the aid of a local pharmacist. McConnell soon learned his customers adored his perfume, yet remained indifferent to his books. Soon he would concentrate solely on cosmetics, starting a company called the California Perfume Company that would soon become Avon Cosmetics in 1886. Who knew the first Avon Lady was actually a boy? Today, despite competition from hundreds of American and foreign brand name cosmetics, Avon is #1 in sales nationwide, with Avon Ladies ringing doorbells coast to coast.

The second story is about a company founded by a social worker and a psychologist with a passion for good food and a commitment to healthy living. Without the capital to open a restaurant, Stacy Madison and Mark Andrus began serving healthy pita bread roll-up sandwiches in Boston's Financial District. Their lunch cart was popular and soon lines started to form around the block. To make waiting more palatable (literally), Stacy concocted a lagniappe for customers waiting in line. Each night they baked the leftover pita bread sprinkled with seasoning to create different flavored chips. The chips were a huge hit and soon Stacy's Pita Chip Company was born. Stacy's experienced rapid growth, doubling sales every year which led to a multimillion dollar acquisition by Frito Lay in 2005.

**PART I:**  
**WHAT IS A PURPLE GOLDFISH?**  
**TOP 10 KEY TAKEAWAYS**

**#1. What's the Biggest Myth in Marketing?**

The biggest myth in marketing is the ideas of meeting expectations. There is no such thing as meeting expectations. You either exceed them or you fall short. In a world where 60-80% of customers describe themselves as satisfied or very satisfied before going on to defect to other brands, merely “meeting expectations” is no longer an option.

**#2. Two Paths Diverge in the Corporate Woods**

You can't be all things to all people. You only have two choices as a marketer: Create to spec and face being a commodity or set out to exceed expectations and become remark-able. Choose wisely...

**#3. Shareholders vs. Customers?**

Business is about creating and keeping customers. Customer experience should be Priority #1 in your marketing. Stop focusing on the “two in the bush” (prospects) and take care of the one in your hand (customers).

## **#4. Value is the New Black**

Don't compete on price. Cater to the 70% that buy based on value. Price is only relative to the value received.

## **#5. Phelps Corollary to the Pareto Principle**

Traditional marketing is flawed. Eighty percent of your efforts will net 20% of your results. Focus on existing customers instead of the funnel by finding little extras that are tangible, valuable and talkable.

## **#6. Growth is Determined by 5 Factors**

The growth of your product or service is similar to that of a goldfish. Growth is determined by 5 factors:

1. Size of the bowl = Market
2. # of other goldfish in the bowl = Competition
3. Quality of the water in the bowl = Business Environment / Economy
4. First 120 Days of Life = Start-up
5. Genetic make-up = Differentiation

Assuming you've already been in business for four months, the only thing you can control is how you differentiate yourself. How you stand out in a "sea of sameness."



## #7. Blue Ocean vs. Purple Goldfish Strategy

Purple Goldfish Strategy is "differentiation via added value." Finding signature extras that help you stand out, improve customer experience, reduce attrition and drive positive word of mouth.

Red Ocean Strategy	Purple Goldfish Strategy	Blue Ocean Strategy
Compete in existing market space	Compete in existing market space, but stand out via g.l.u.e... giving little unexpected extras	Create uncontested market space
Beat the competition	<b>Differentiate yourself from the competition</b>	Make the competition irrelevant
Exploit existing demand	Exploit current customer base to reduce attrition, drive loyalty and promote word of mouth	Create and capture new demand
Make the value-cost trade-off	<b>Break the transactional market economy mindset, add value to exceed expectations</b>	Break the value-cost trade-off
Align the whole system of a company's activities with its strategic choice of differentiation or low cost	Align the whole system of a company's activities in pursuit of differentiation through added value	Align the whole system of a company's activities in pursuit of differentiation and low cost

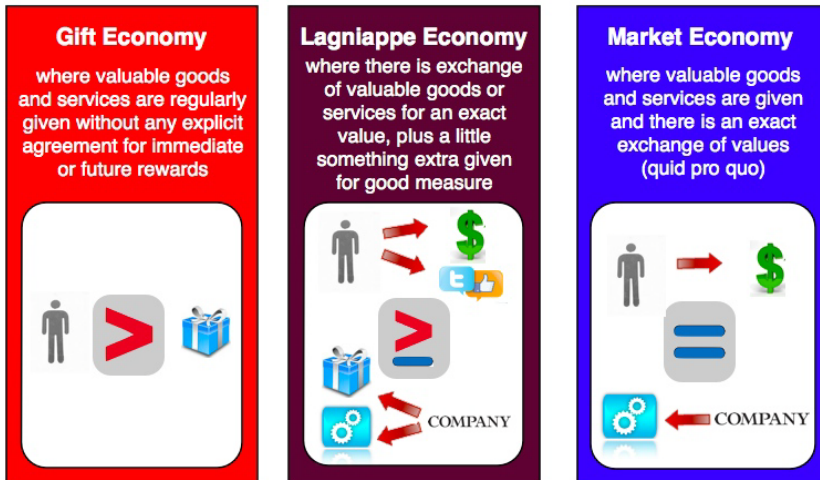
## #8. Acts of Kindness

Think of lagniappe as an added branded act of kindness. A beacon or sign that shows you care. Marketing via G.L.U.E (giving little unexpected extras). A little something thrown in for good measure.



## #9. Lagniappe Economy

There is a middle ground between a Market Economy (quid pro quo) and a Gift Economy (free). A lagniappe economy is where there is an exchange of goods and services for an exact value (market economy), plus a little unexpected extra that is given for good measure (gift economy).



## #10. v4 Principle

v4 is when a consumer becomes a PROsumer. They stand up for a product or service and vouch for it, giving personal assurances to its value. As a marketer you need to figure out a way to make your product or service remark-able. Are you giving your customers something to talk, tweet, blog and post to Facebook about?

## **PART II:**

### **THE 5 INGREDIENTS OR R.U.L.E.S OF A PURPLE GOLDFISH**

#### **Five Ingredients**

There are 5 ingredients or R.U.L.E.S when creating a purple goldfish:

**R** elevant - it should be of value to the recipient

**U** nexpected - it should "surprise and delight"

**L** imited - it should be something rare, hard to find or signature to your business

**E** xpression - it should be a sign that you care

**S** ticky - it should be memorable and talkable

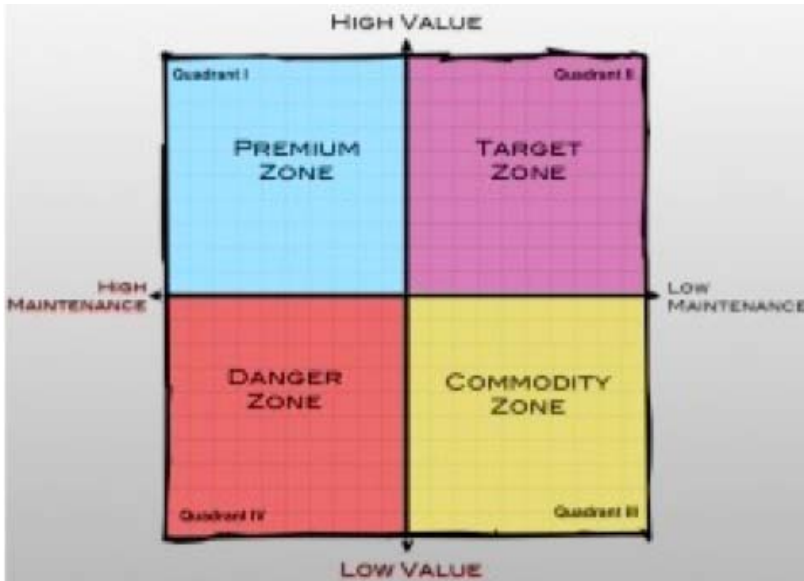
## PART III:

### 12 TYPES OF PURPLE GOLDFISH

*"There are no traffic jams on the extra mile."*

– Roger Staubach

#### VM Matrix



The VM matrix calculates how a brand measures up on two important criteria: value and maintenance. The goal is to be seen as “high value” and “low maintenance” by your customers.

There are 12 impactful ways you can provide 'little extras'. Half of the purple goldfish are based on 'value' and the remaining half dozen are based on 'maintenance' according to the [value / maintenance matrix](#):

- #1. **Throw-ins** (value)
- #2. **In the Bag / Out of the Box** (value)
- #3. **Sampling** (value)
- #4. **First & Last Impressions** (value)
- #5. **Guarantees** (value)
- #6. **Pay it Forward** (value)
- #7. **Follow-up / Thank You's** (maintenance)
- #8. **Added Service** (maintenance)
- #9. **Convenience** (maintenance)
- #10. **Waiting** (maintenance)
- #11. **Special Needs** (maintenance)
- #12. **Handling Mistakes** (maintenance)

**Here are main elements of both:**

**Value** (the what and when of customer experience)

- What are tangible and intangible benefits that your service or product provides?
- Does your product or service go 'above and beyond' to exceed customer expectations?
- Are you giving that little unexpected extra to 'surprise and delight' your customer?

**Maintenance** (the who and how of customer experience)

- What is the buying experience like for your customer?
- Do you make things turnkey or simple for your customer?
- Are you responsive to problems / issues for your customer?

## Categories:

#1. **Throw-ins** (value) – little extras that are included with your product or service. They help you stand out in a 'sea of sameness':



Southwest Airlines – 'Bags Fly Free' and no change fees on Southwest.

#2. **In the Bag / Out of the Box** (value) – little unexpected things that are added as a surprise.



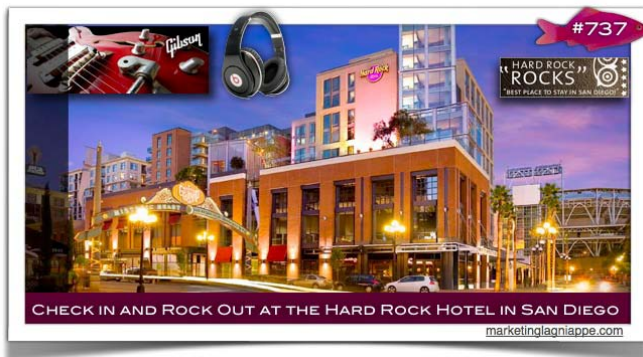
Maggiano's – order a pasta dish and Maggiano's will pack an additional one up for you to take home on the house.

#3. **Sampling** (value) – give your customer an ‘additional’ taste by offering a free ‘something extra’ on the house.



Bigelow Tea – order a box of tea from Bigelow and you’ll be treated to a sample of another flavor on the house.

#4. **First & Last Impressions** (value) – you have two chances to make an impression. When your customer comes through the door and right before they walk out, hang up or log off. These little extras make you memorable and more importantly ‘talkable’.



Hard Rock – When you check in the Hard Rock will let you sample a Gibson guitar. Check in, plug-in and rock out.



#5. **Guarantees** (value) - giving your customers that ‘little extra’ pledge that you’ll stand behind your product or service.



LL Bean – Leon Leonwood backs his product for a lifetime.

#6. **Pay it Forward** (value) – give a ‘little extra’ back to the community.



Plaza Cleaners – if you are out of work and need a suit cleaned for an interview, Plaza will clean it for free.



#7. **Follow-up call** (maintenance) – make the ‘little extra’ follow up with your customer.



Rite Aid follows up with a call to check on a patient.

#8. **Added Service** (maintenance) – the ‘little extra’ that’s an added unexpected service.



Safelite not only repairs or replaces your glass, but they also vacuum your car and clean your windows.

#9. **Convenience** (maintenance) – what ‘little extra’ can you add to make things easier for your customers.



#165

Dear Customers,

"[What's new?](#)" describes the frustration we humans feel when trying to free a product from a nearly impenetrable package.

Some products are hermetically sealed inside plastic clamshell cases, while others (especially toyed wire plastic) sealed steel wire ties. Without the right tools, wire ties can be painful and time-consuming to remove.

Today, we're excited to announce the beginning of a multi-year initiative designed to alleviate this pain – Amazon "Frustration Free Packaging."

Amazon is working with leading manufacturers to deliver products inside smaller, easy-to-open, recyclable cardboard boxes with less packaging material (and no frustrating plastic clamshells or wire ties).

One of the first products to launch with Frustration-Free Packaging is the [Fisher Price Imaginext Adventure Plane](#), which is now delivered in an easy-to-open, recyclable cardboard box.

The new packaging eliminates:

- 115.22 square inches of PVC plastic
- 11.1 square inches of bubble-wrap material
- 1.1/16.3 square inches of printed corrugated package inserts
- 18 inches of plastic-coated steel wire ties
- Five non-recycled cardboard
- 11.1 square inches of 100% recycled paper

We've launched Frustration-Free Packaging with [11 items selling today](#) from Fisher Price, Mattel, Microsoft, and electronics manufacturers. Expanded, it will take many years, but our mission is to offer our entire catalog of products in Frustration-Free Packaging.

We offer our sincere thanks to these companies for working with us in this effort – we truly appreciate it.

In addition to making packages easier to open, a major goal of the Frustration-Free Packaging initiative is to be more environmentally friendly by using less packaging material. We've also launched a number of [projects](#) across the company to reduce waste and save energy.

We've pulled together [a video and a few pictures](#) that demonstrate how Frustration-Free Packaging can be – feel free to send us your pictures and videos by emailing [amazon.com/feedback](mailto:amazon.com/feedback).

Many thanks for being a customer!



Jeff Bezos

**FRUSTRATION  
FREE  
PACKAGING**

Amazon – Frustration free packaging that's hassle free and good for the environment.

#10. **Waiting** (maintenance) – all customers hate to wait. If it's inevitable, how can you do a 'little extra' to make it more bearable.



**Pacific Cafe** – while you wait for your table, enjoy a glass of wine on the house.

#11. **Special Needs** (maintenance) – acknowledging that some customers have needs that require special attention.



**Rainforest Cafe** – the restaurant caters to the needs of customer by doing a 'little extra' for those with food allergies.

#12. **Handling Mistakes** (maintenance) – admitting that your wrong and doing the ‘little extra’ above & beyond to make it more than right.



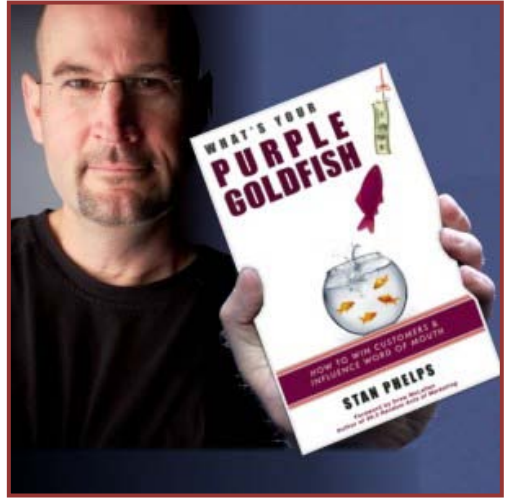
**Nurse Next Door** – this nursing agency in Canada takes the idea of ‘humble pie’ literally by delivering a pie when they make a mistake.

## Lagniappe Takeaway: Creating Sales Lift

This is probably the most exciting takeaway. Giving a purple goldfish can increase your sales. A **recent article in the International Journal of Marketing Studies** has revealed that giving a gift before purchase could increase consumer spending by over 40%.

## About the Author

**Stan Phelps** is an Experience Architect at 9 INCH Marketing and Chief Solutions Officer at Synergy Events. 9 INCH Marketing is a marketing consultancy focused on customer and employee experience. Synergy is an award winning experiential marketing agency. At Synergy Stan takes a wide look at marketing, finding unique ways to engage customers. He creates signature experiences that accelerate business results.



Stan believes the longest and hardest nine inches in marketing is the distance between the brain and the heart of a customer. He's committed to exploring the concept of marketing lagniappe. *What's Your Purple Goldfish?* is the first book in a trilogy on the subject.

The second book, *What's Your Green Goldfish?* will take a look at the signature extras a business provides to their employees to improve morale, reduce attrition and create a dynamic culture. The final installment will be *What's Your Golden Goldfish?* It will focus on the extras you provide for both your top 20% of customers and top 20% of employees.

Stan received a BS in marketing from Marist College and a JD/MBA from Villanova University. He lives in Cary, NC with his wife Jennifer, their two boys Thomas & James and a Glen of Imaal Terrier named MacMurphy.

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